

MASSACHUSETTS STATE LABOR COUNCIL, AFL-CIO
BRADFORD HOTEL, BOSTON, MASSACHUSETTS
OCTOBER 2 - 5, 1962

P R O G R A M

5TH ANNUAL CONVENTION

MONDAY, OCTOBER 1st

- 2:00 p.m. Credentials Committee, Glass Room
- 2:00 p.m. Resolutions Committee, Oval Room
- 2:00 p.m. Rules Committee, Drawing Room
- Registration

TUESDAY, OCTOBER 2nd (Morning Session)

Convention Opens, Grand Ballroom, Bradford Hotel, 10:00 a.m.

~~Call to Order by Arthur Hartin, President, Boston Central Labor Council, AFL-CIO~~

- 10:15 a.m. Virginia Hauer, National Anthem
- ~~10:20 a.m. Invocation: Rev. Mortimer H. Gavin, Chaplain, Catholic Labor Guild~~
- ~~10:30 a.m. Greetings of the City of Boston: Mayor John F. Collins~~
- 10:45 a.m. Introduction and address by Convention Chairman, President J. William Belanger
- 11:00 a.m. Convention Call - James P. Loughlin, Secretary-Treasurer J. William Belanger, President - Convention Committees Rules Committee Report Resolutions

Afternoon Session, 2:00 p.m. - 5:00 p.m.

- ~~2:00 p.m. Hugh Thompson, Director, N.E. AFL-CIO Regional Office~~
- ~~3:00 p.m. Edward M. Kennedy, Democratic Candidate for U. S. Senate~~
Convention Picture
- ~~3:30 p.m. Nelson Cruikshank, Director, Department of Social Security, AFL-CIO~~
- ~~4:00 p.m. Rep. John F. Thompson, Speaker of the House of Representatives~~
- ~~4:30 p.m. Gregory Bardacke, American Trade Union Council of the National Committee for Labor Israel~~

WEDNESDAY, OCTOBER 3rd (Morning Session)

- 9:30 a.m. Committee Reports
- ~~10:00 a.m. Invocation: Rabbi Joseph S. Shubow, Temple Bnai Moshe~~
- ~~10:15 a.m. Frank Coyle, Staff Representative, AFL-CIO Community Services~~
- 10:30 a.m. John W. Howe, United Fund of Greater Boston
- ~~11:30 a.m. Governor John A. Volpe~~
- 12:00 noon George Wells, Disabled Amer. Veterans Plaque to President J. William Belanger

Afternoon Session, 2:00 p.m. - 5:00 p.m.

- 2:00 p.m. Nomination of Officers
- ~~3:30 p.m. Al Barkan, Deputy Director, AFL-CIO COPE~~
- 4:00 p.m. Carl Megel, President, American Federation of Teachers
- ~~4:15 p.m. Kermit Morrissey, President, Regional Community Colleges~~
- 8:00 p.m. Convention Reception and Dance, Empire Room, Bradford Hotel

THURSDAY, OCTOBER 4th (Morning Session)

- 9:30 a.m. Committee Reports
- ~~10:00 a.m. Invocation: His Eminence, Richard Cardinal Cushing, Archbishop of Boston~~
- ~~11:00 a.m. Senator John E. Powers~~
- ~~11:30 a.m. Endicott Peabody, Democratic Candidate for Governor~~

Afternoon Session, 2:00 p.m. - 4:30 p.m.

- 2:00 p.m. Convention session opens
- ~~2:30 p.m. George C. Lodge, Republican candidate for U. S. Senate~~
- 3:00 p.m. Joseph Salerno, Vice President, Amalgamated Clothing Workers of America
- 3:30 p.m. Mass. State Labor Council Taxation Committee Discussion on Referenda #1
Speakers
 - Richard B. O'Keefe, Chairman, Mass. State Labor Council Taxation Committee
 - Mrs. Beverly C. Dunn, Jr., League of Women Voters
 - George Blackwood, American Veterans Committee
 - Arnold Soloway, Economist
- 7:00 p.m. Convention Banquet, Grand Ballroom

FRIDAY, OCTOBER 5th (Morning Session) VOTING 7:30 a.m. to 12:00 noon
(place to be announced)

- 9:30 a.m. Committee Reports
- ~~10:00 a.m. Invocation: Rev. G. Vaughn Shedd, Lord's Day League~~
- ~~10:30 a.m. Raja Kulkarni, Indian Trade Unionist~~

~~—~~ 11:00 a.m. Kenneth J. Kelley, Labor Director, Agency for International Development
~~—~~ 11:30 a.m. Stuart Hughes, Independent candidate for U. S. Senate
12:00 noon Scholarship Awards Presentation - Francis E. Lavigne, Director of Education

Afternoon Session, 2:00 p.m. - 4:30 p.m.

~~—~~ 2:00 p.m. Francis Burke, U. S. Treasury Dept., Savings Bond Division
~~—~~ 2:30 p.m. John A. Callahan, Commissioner of Labor & Industries
3:00 p.m. Joseph Tobin, Union Labor Life Insurance Company
3:30 p.m. William Holsberg, Veterans Administration

Union Label Exhibit Drawing

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LABOR NOTEBOOK

Ted, George, Stu: Labor Likes 'Em All

By ROBERT E. WALSH

Bay State labor—gathered in convention here last week—liked all three candidates for the U.S. Senate.

They liked Teddy because he is a Kennedy and a Democrat.

They were pleased to hear George Lodge say Massachusetts is losing Federal contracts to the South for political reasons.

And they came out of their chairs to shake hands with Stuart Hughes and compliment him on his speech, but later decided "he's ahead of his

time" and "it sounds too much like Utopia."

This week the AFL-CIO Committee on Political Education will start questioning the candidates on specific issues and then, after another gathering, decide if they should endorse candidates.

And it will probably be the choice between Gov. John A. Volpe and Endicott Peabody that will provide the hottest debate.

The convention was actually a four-day combination political meeting and labor session.

Top AFL-CIO leaders candidly admitted it was political because "labor is involved in so much legislation today it has to be in politics."

The majority of the 1002 delegates liked the idea of hearing the five top candidates and listening to both parties.

Sen. John E. Powers spoke and was cheered—not booed as a few had predicted. He also wound up burying the hatchet with the Boston Carmen's Union.

Powers' Talk Debated

But some delegates wound up debating his speech. In saying progress had been made on labor matters in the last two years, some wondered if he was praising the Legislature or paying a compliment to Gov. Volpe.

On Thursday afternoon a session was devoted to referendum question No. 1, which gives the Legislature the right to clear up tax inequities.

It was explained to the delegates the referendum imposes no new taxes and the convention called for a "yes" vote from labor.

A hard-working resolutions committee came out with 50 other resolutions and referred four others to the executive committee.

Resolutions passed called for a 35-hour week with time and a half for more than 35 hours, a tax cut, improved unemployment insurance, improvement of the educational system, compulsory poultry inspection,

better preparation for the impact of automation and complete support for the unionization of school teachers.

A legislative program for 1963 included some of the measures passed as resolutions.

Two other resolutions approved were support of the President's stand on the Mississippi situation and support of his four-point program to impose penalties on all ship-owners who transport Soviet bloc supplies to Cuba.

Other Side to Convention

But there was still another side to the convention that didn't take place on the convention floor.

It was the bull sessions going on in the rooms from the fifth to the 11th floor.

In one room two Gloucester fishermen explained to Worcester steelworkers how fish cutting machines imported from Germany were affecting that industry.

They also said a new method of icing fish might knock some longshoremen — they call them lumpers — out of jobs.

In another room Quincy shipyard workers told Boston bricklayers how two men could now weld a huge pipe in 2½ hours with a machine. It wasn't so long ago that it took the same two men a day and a half.

And on another floor school teachers were meeting to plan their drive for membership with the hope of some day spearheading the drive for the unionization of the white collar workers.

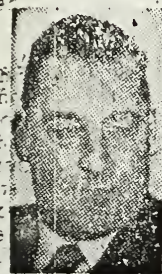
Learning Amity

It was apparent, too, that the A.F.L. and the C.I.O. are still in the process of learning to live together.

Some missed the old floor fights but others said "today we have to look at issues on their merits and leave personalities out of it."

A small minority of the delegates wasted their time but most others found it thought-provoking.

A woman delegate from the Building Service Employees Union said leaving the convention, "This was my first one. I found I liked listening to these speeches and talking about them. Now I'm going home and do some thinking about who will get my vote."



Labor, Powers Unite To Lay Out McLernon

By ROBERT B. CARR

The Bay State labor movement has united behind the Boston Carmen's Union in condemning M.T.A. General Manager Thomas J. McLernon for demoting 88 operators while forcing others to work overtime.

The Massachusetts State Labor Council, A.F.L.-C.I.O., adopted at its convention Friday a resolution citing McLernon for his "antilabor approach."

Similar action was taken three weeks ago by the Greater

Boston Labor Council, A.F.L.-C.I.O.

The operators had been shunted to lesser paying jobs as laborers, car cleaners and porters, while other operators were forced to work overtime under threat of suspension.

This is the first time that the Carmen have received the united support of labor in their two-year battle with McLernon.

In another surprise move at the convention, Senate Pres. John E. Powers spoke out against the M.T.A. management.

He said he was "emphatically against any type of management which forces its employees to work overtime while at the same time it uses this maneuver to slash its own employment rolls—and that goes for the M.T.A."

Powers has been an arch enemy of the Carmen's Union since the week-end walkout last April, when the union picketed his home in South Boston.

He was also influential in the defeat early this year of Gov. Volpe's bill to reorganize the M.T.A. trustees.

Powers said at the time he believed it to be a move by the governor to get rid of McLernon.

McLernon was not available for comment last night.

The convention condemned McLernon in the resolution supporting a statement by its executive council on Sept. 20, which stated:

"In times of chronic unemployment and layoffs and demotions, no employee should be required to work overtime. It is the conclusion of this council that compulsory overtime on top of a split trick involving 13 hours per day is a throwback to the Dark Ages when employees were forced to work from sunup to sundown.

"While labor is fighting for a shorter work week to help spread employment opportunities and to meet the full impact of automation, compulsory overtime is a regressive measure and should be opposed.

"We condemn Mr. McLernon's antilabor approach, his interference with the rights of labor and his insistence on compulsory overtime at this time when we have more than 100,000 unemployed in the Commonwealth of Massachusetts.



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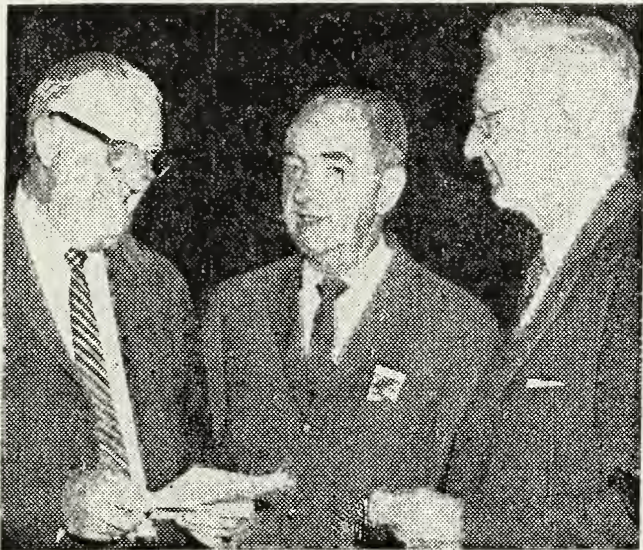
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THE SUBJECT: MEDICARE—N. E. Regional Director Hugh Thompson, A.F.L.-C.I.O., State Labor Comm. John Callahan and Nelson Cruikshank, A.F.L.-C.I.O. Social Security department, discuss medical bills at state labor convention.

Ask State Labor Support Kennedy on Mississippi

By ROBERT E. WALSH

A resolve supporting President Kennedy's stand in Mississippi was put before the fifth annual Convention of the State Labor Council A.F.L.-C.I.O. yesterday at the Bradford Hotel.

The resolution will be acted upon in the next two days.

It reads, "In the light of bloodshed and mob violence that has erupted in the State of Mississippi as a result of activities of hate mongers and extremists preaching lawlessness and defiance of the American Constitution, courts and government, the A.F.L.-C.I.O. which has always supported civil rights, expresses its support of the president.

"It supports the President in the firm steps he has taken to assure acknowledgment of the supremacy of Federal law and of the rights guaranteed by the U.S. Constitution, as well as the continuation of the American system of rule by peaceful processes of law, rather than by mob action."

The resolution goes on to

call for the prosecution of extremists who took part in the fighting, and urging that labor aid in bringing about the day of equal opportunity for all Americans.

The resolution was submitted for action by the civil rights committee headed by Julius Bernstein.

In other action Hugh Thompson, New England regional director of the AFL-CIO, scored the American Medical Assn.'s stand against the Medicare Bill.

Edward M. Kennedy, candidate for the U.S. Senate, was given an ovation.

How To Hold FALSE TEETH More Firmly in Place

Do your false teeth annoy and embarrass by slipping, dropping or wobbling when you eat, laugh or talk? Just sprinkle a little FASTEETH on your plates. This alkaline (non-acid) powder holds false teeth more firmly and more comfortably. No gummy, gooey, pasty taste or feeling. Does not sour. Checks "plate odor" (denture breath). Get FASTEETH today at drug counters everywhere.

Oct. 7, '62

Status of Bills In Congress

WASHINGTON (AP)—Status of major legislation in Congress:

Manpower Training and Development—Enacted.

Youth Employment Opportunities—In House Rules Committee.

Emergency Power for President to Cut Taxes—In House Ways and Means Committee.

Emergency Power for President to Launch Anti-Recession Public Works Program—Enacted.

Broadening of Unemployment Insurance Programs—Defeated by House Ways and Means Committee.

Postal Rate Increases, including one cent on letter mail, and Federal pay raise — on President's desk.

Tax Revision, including dividend income withholding—on President's desk.

Continuation of Emergency Excise and Corporation Tax Rates—Enacted.

Creation of a New Department of Urban Affairs—Killed.

New Farm Program, including tighter control on grains—Passed Senate; defeated by House.

Extension of Present Farm Program—Enacted.

Anti-Poll Tax Amendment—Enacted.

Federal Aid For Medical and Dental Schools — In House Rules Committee.

Health Insurance For Aged —Defeated in Senate; in House Ways and Means Committee.

Federal Aid For College Classroom Construction—Passed House and Senate; awaiting compromise.

Federal Aid For Secondary Schools—Passed Senate; sidetracked in House Rules Committee.

Continuation of Foreign Aid Program—Enacted.

Increase of National Debt Limit to \$308 Billion—Enacted.

Authority to Purchase \$100 Million in United Nations Bonds—Enacted.

Additional Authority For President to Cut Tariffs Under Reciprocal Trade Program—On President's desk.

Drug Safety Control—On President's desk.

Communications Satellite Operation—Enacted.

Standby Power For President to Call Up 150,000 Military Reservists—Enacted.

Approval of Graduated Income Tax Question Won't Guarantee Change

Passage of November Referendum Would Only Authorize Legislature to Amend State Constitution to Permit It

By S. J. MICCICHE
Question No. 1 on the No-

member ballot is aptly tagged. referendum question to face Massachusetts voters in years. It is the most important ref-

constitutional amendment before the voters, doesn't necessarily mean the lawmakers will adopt the graduated income tax system.

methods of taxation and then choose those best suited to meet the needs and circumstances of the commonwealth," she said.

The proposal calls for a change in the Constitution, and its approval could open the door to a graduated assessment of the existing state income tax. This would not mean a new tax, but it could affect everyone's pocketbook nevertheless.

Under the graduated system, the rate of taxation would increase with each income bracket. Approval of the referendum question by the voters would direct the Legislature to amend the Constitution so that a graduated income tax method can be adopted.

The Republican Party platform makes no specific mention of the graduated system, but supports general tax reform. However, Gov. Volpe has stated his opposition to the graduated income tax in campaign talks, and Republicans in the Legislature have stood united almost to a man against it and the constitutional change as well.

For some, the change to a graduated income tax could mean a savings. For those in the higher income brackets, it might be costly.

Considerable heat has been generated over this issue in recent weeks, much of it fired from confusion.

Interpreting November Vote? Allied with the Democrats are the Massachusetts State Labor Council, A.F.L.-C.I.O., the Massachusetts Chapter, Americans for Democratic Action, and the American Veterans' Committee of Massachusetts.

Simply, the ballot measure only permits the adoption of a graduated income tax system. But this does not mean that for certainty it will be adopted.

Under the Constitution, all taxes must be levied proportionately. This means equal in

Organized opposition in recent weeks has come from the newly created Committee Against Increased Income Taxes, headed by William Doyle. Voter approval of the constitutional change, according to Doyle, would be deemed a mandate by the Legislature next January.

Its actual adoption, however, is an entirely different matter.

This is a matter of legislation—and can only be resolved by the Legislature.

The fact that two previous Legislatures, in 1959 and again in 1961, voted to place the

Proponents contend the existing income tax—levying all earned income at 3 percent and all unearned income at 7 percent—is regressive taxation.

This taxes the source of income, rather than the ability to pay, they maintain.

How Women Voters Stand The other side counters that a shift to the graduated method would saddle the middle and upper income groups with the tax responsibilities of the lower income groups.

Originally, the graduated income tax was labeled a "soak the rich" levy. Times have changed since then, opponents argue, and the brunt of the es-

timated tax would fall on most

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it would be at this stage that the varying percentages of taxation will be established.

This will reflect the amount of revenue needed from the income tax to balance budget needs.

The graduated system is in effect in 31 states and by the Federal government.

Arguments on the issue are as opposite as the two poles. There is no in-between on the merits of the graduated system.

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How Women Voters Stand

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Originally, the graduated income tax was labeled a "soak the rich" levy. Times have changed since then, opponents argue, and the brunt of the escalator tax would fall on most wage earners.

Still, proponents retort, there's a principle involved, that of taxing in tempo with income.

The Massachusetts League of Women Voters has taken no position on the merits of the graduated income tax, but insists that the Constitution be changed so it can be considered.

Elected officials are "hobbled with obsolete constitutional restraints that prevent an effective job," states Mrs. Beverly C. Dunn, the league's tax committee chairman.

As it now stands, the Legislature can raise existing rates of taxing income and the Constitution remain a continuing barrier to overall tax reform, said Mrs. Dunn.

"The Legislature should be in the position to consider all

form makes no specific mention of the graduated system, but supports general tax reform. However, Gov. Volpe has stated his opposition to the graduated income tax in campaign talks, and Republicans in the Legislature have stood united almost to a man against it and the constitutional change as well.

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"The Legislature would pounce upon favorable action as quick as a wink to increase income taxes," says Doyle.

He describes the referendum question as the key to a "scheme to devious methods of increased income taxes. The program of the proponents is an insane one that would set the commonwealth on a merry-go-round of higher income taxes."

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent as a fast telegram	
TELEGRAM	<input checked="" type="checkbox"/>
DAY LETTER	<input type="checkbox"/>
NIGHT LETTER	<input type="checkbox"/>

\$ S E

WESTERN UNION TELEGRAM

1206 (4-55)

W. P. MARSHALL, PRESIDENT

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
			Mass. State Labor Council, AFL-CIO 11 Beacon St., Rm. 1224, Boston, Mass.	10/5/62

Send the following message, subject to the terms on back hereof, which are hereby agreed to

President John F. Kennedy
White House
Washington, D. C.

The Mass. State Labor Council, AFL-CIO, in convention assembled support you on your forthright four point program to impose penalties on all shipowners who transport Soviet-bloc supplies to Cuba.

J. William Belanger, President

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise the message will be sent at the full rate	
FULL RATE	<input type="checkbox"/>
LETTER TELEGRAM	<input type="checkbox"/>
SHORE SHIP	<input type="checkbox"/>

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays, the sender of a message should order it repeated, that is, telegraphed back to the originating office for comparison. For this, one-half the unreported message rate is charged in addition. Unless otherwise indicated on its face, this is an unreported message and paid for as such, in consideration whereof it is agreed between the sender of the message and the Telegraph Company as follows:

1. The Telegraph Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the unreported-message rate beyond the sum of five hundred dollars; nor for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the repeated-message rate beyond the sum of five thousand dollars, unless specially valued; nor in any case for delays arising from unavoidable interruption in the working of its lines.
2. In any event the Telegraph Company shall not be liable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, whether caused by the neglect of its servants or otherwise, beyond the actual loss, not exceeding in any event the sum of five thousand dollars, at which amount the sender of each message represents that the message is valued, unless a greater value is stated in writing by the sender thereof at the time the message is tendered for transmission, and unless the repeated-message rate is paid or agreed to be paid and an additional charge equal to one-tenth of one per cent of the amount by which such valuation shall exceed five thousand dollars.
3. The Telegraph Company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other company when necessary to reach its destination.

4. The applicable tariff charges on a message destined to any point in the continental United States listed in the Telegraph Company's Directory of Stations cover its delivery within the established city or community limits of the destination point. Beyond such limits and to points not listed in the Telegraph Company's Directory of Stations, the Telegraph Company does not undertake to make delivery but will endeavor to arrange for delivery by any available means as the agent of the sender, with the understanding that the sender authorizes the collection of any additional charge from the addressee and agrees to pay such additional charge if it is not collected from the addressee.

5. No responsibility attaches to the Telegraph Company concerning messages until the same are accepted at one of its transmitting offices; and if a message is sent to such office by one of the Telegraph Company's messengers, he acts for that purpose as the agent of the sender, except that when the Telegraph Company sends a messenger to collect the message in that instance acts as the agent of the Telegraph Company in accepting the message, the Telegraph Company assuming responsibility from the time of such acceptance.

6. The Telegraph Company will not be liable for damages or statutory penalties when the claim is not presented in writing to the Telegraph Company, (a) within ninety days after the message is filed with the Telegraph Company, or (b) within ninety days (excluding the day of an interstate message in Texas and a ship at sea or in the air, (b) within 95 days after the cause of action, if any, shall have accrued in the case of an interstate message in Texas, and (c) within 180 days after the message is filed with the Telegraph Company for transmission in the case of a message between a point in the United States and a foreign or overseas point other than the points specified above in this paragraph; provided, however, that this condition shall not apply to claims for damages or overcharges within the purview of Section 415 of the Communications Act of 1934, as amended.

7. It is agreed that in any action by the Telegraph Company to recover the tolls for any message or messages the prompt and correct transmission and delivery thereof shall be presumed, subject to rebuttal by competent evidence.

8. Special terms governing the transmission of messages according to their classes, as enumerated below, shall apply to messages in each of such respective classes in addition to all the foregoing terms.

9. No employee of the Telegraph Company is authorized to vary the foregoing.

4-54

CLASSES OF SERVICE

DOMESTIC SERVICES

TELEGRAM

The fastest domestic service.

DAY LETTER (DL)

A deferred same-day service, at low rates.

NIGHT LETTER (NL)

Economical overnight service. Accepted up to 2 A. M. for delivery the following morning at rates lower than the Telegram or Day Letter rates.

INTERNATIONAL SERVICES

FULL RATE (FR)

The fastest overseas service. May be written in code, cipher, or in any language expressed in Roman letters.

LETTER TELEGRAM (LT)

For overnight plain language messages, at half-rate. Minimum charge for 22 words applies.

SHIP RADIOGRAM

For messages to and from ships at sea.

LABOR'S ROLE IN FOREIGN AID
ADDRESS BY
Kenneth J. Kelley, Chief, Labor Division
Agency for International Development
to
Fifth Annual Convention
Massachusetts State Labor Council
Boston, Massachusetts
October 5, 1962

I welcome this opportunity to visit with my former colleagues and many friends in the State AFL-CIO and to discuss with you the Foreign Aid Program and labor's interest in this important instrument of US foreign policy. This is timely in view of the fact that the 1962 Foreign Aid appropriation act is making its perilous annual journey through the Congress.

The American labor movement has consistently supported the US foreign aid efforts beginning with the Marshall Plan which successfully revived the war-ravaged economies of Europe. Currently our aid is directed towards the developing countries of Asia, Africa, and Latin America. Helping these emerging nations to achieve an economic progress, social justice and political independence is the primary objective of this nation's "Decade of Development".

The peoples in these newly developing countries are prepared to do much to help themselves but they also need assistance from the industrialized countries, especially the US. They need from us long-term, large-scale economic and technical assistance. It must be long-term because economic development includes projects and programs which take years to

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complete. It must be large-scale because economic assistance confined to small isolated projects cannot give the significant boost to the entire national economy without which real economic progress in the developing countries will continue to be blocked.

Labor plays a key role in the social revolution taking place in developing societies. Restless millions no longer will accept ignorance, poverty, social injustice, and despair as an inevitable way of life. The "aspiration explosion" equals or exceeds the "population explosion" in emerging countries. Trade unions are primarily concerned with the human resources of a country--its people--their problems--their aspirations--their development. Investment in human resources is a condition precedent for sustained economic development and political stability in transitional economies. It is no accident that the Foreign Assistance Act of 1961, Sec. 601(a), declares it "to be the policy of the United States..to strengthen free labor unions".

In his address to the December 1961 Convention of the AFL-CIO, President Kennedy declared "the hope of freedom in these countries rests in many parts with the labor movement. We do not want to leave the people of some countries a choice between placing their destiny in the hands of the few who hold in their hands most of the property, and on the other side of the Communist movement. We do not give them that choice. We want them to have the instruments of freedom to protect themselves and provide for progress in their country. And a strong free labor movement can do it",

What are AID's current objectives in the Labor field?

1. To identify the U.S. in the eyes of the working population with democracy, social justice, and progress.

2. To foster development of democratic trade unions led by intelligent leaders free of domination by state or political party, and assist them in their struggles against communist and other totalitarian threats to their freedom and independence.

3. To assist democratic trade union and worker organizations in development of housing cooperatives and credit unions, etc.

4. To assist governments in improving their labor legislation, administration of labor programs, analyzing manpower requirements and resources, and relating results of such analyses to their programs for economic development; develop programs to improve the skill and productivity of the labor force.

You might be interested in the substantial financial expenditures involved in carrying out the programs designed to achieve these objectives for the current year.

	<u>FY 62 (\$000),</u>	<u>FY 63 (\$000)</u>
Africa	\$796	\$ 195
Latin America	1,510.9	2,985
NESA	746	1,118
Far East	530	468
Total -- All Regions	<u>\$3,582.9</u>	<u>\$4,766</u>

U.S. organized labor through a new non-profit corporation called the American Institute for Free Labor Development has contracted with the Agency for International Development to conduct seminars and establish training centers for Latin American labor leaders. The Institute has support and participation of the AFL-CIO management of firms with Latin American interests.

Following a successful pattern established three years ago during a seminar for 18 Latin Americans held by the Postal, Telegraph and Telephone International Federation, the new labor institute brought 42 union leaders to the United States in June. The 42 are following their U.S.

seminar with none-month internships in their home countries.

The Institute also established labor centers in Venezuela and Ecuador to help train Latin American labor leaders in collective bargaining, trade union organization, industrial relations and community projects designed to raise the standard of living for Latin American workers, as well as activities in cooperative housing and credit unions.

The Institute's activities are being conducted in cooperation with Latin America's free trade unions, which have some 15 million members. Financing of the activities will be conducted cooperatively by U.S. business firms, unions, and the federal government.

Members of the Institute's board of trustees include J. Peter Grace, president of the W.R. Grace & Co., AFL-CIO President George Meany, and Eric Johnston of the Motion Picture Association. Joseph Beirne, president of the Communications Workers of America, serves as secretary-treasurer.

A.I.D.'s forward looking labor programs are by no means limited to the sole objective of strengthening free trade unions, however, this goal is of such significance from a political and economic standpoint that it deserves special attention. While the results of investment in human resources inherent in A.I.D. labor programs cannot always be easily measured, they are essential ingredients for the favorable value judgments necessary for sustained economic growth, social progress and political stability.

In many of these countries living standards have not kept pace with rising expectations. Frequently, failure to mobilize people's aspirations into constructive economic growth, social progress and political stability.

In many of these countries living standards have not kept pace with rising expectations. Frequently, failure to mobilize people's aspirations into constructive economic activity and participation in the rewards of increased productivity, threatens the political stability of a nation and makes it vulnerable to Communist subversion. To meet these problems governments must set attainable development goals and the means of achieving

these targets. In addition, they have to deal not only with the problems of industrial development but also with man power, social justice, collective bargaining, labor-management relations, and protective legislation.

The spread of industrial development and urbanization in these countries aggravates the problems of the work force at a time when their aspirations for social improvement have been aroused. The absence of decent housing in new industrial centers, the rise in health hazards in urban areas, the continuation of abject poverty, all create a tinderbox for the communist match. Unless these new societies provide some sense of

participation and sharing in the rewards of economic progress, in the form of decent housing, workers education, health and welfare facilities, vocational training, credit facilities, work programs for the unemployed, the new industrial workers will become so much dynamite for use--and misuse--by demagogic forces.

Trade unions have played a particularly important role in both political and economic life in many of the developing countries. That role will be enhanced as industrialization in these countries progresses. It is, therefore, of the utmost importance not only to you in the AFL-CIO as democratic trade unionists but to our nation as a whole that the unions of these countries develop along free and democratic lines to the maximum extend possible.

The foreign assistance program fosters freedom and democracy not only in its programs affecting workers but also in other programs as well. For example, it gives particular support to the development of cooperatives as one way of achieving grassroots participation in the economic and social development efforts. Some of these cooperatives have been sponsored by trade unions while in other cases the cooperatives and the trade unions have worked closely together.

There are some who maintain that foreign assistance should be drastically cut back or even eliminated--insisting that our efforts and funds should be devoted to urgent needs at home. Let's analyze that deceptively beguiling argument for a moment. In this context I would like to quote the AFL-CIO position as stated recently by Legislative Director Andrew Biemiller before the House Foreign Affairs Committee.

"We support the foreign assistance program not primarily because of its beneficial effects at home but because of the good it does in the newly independent developing countries of the world. But we do not ignore the fact that foreign assistance activities do benefit our domestic economy.

"The reason for this is that 80 cents of every dollar of foreign aid is spent directly for goods and services produced in the U. S. This policy of encouraging the expenditure of A.I.D. dollars in the U. S. has had two important consequences. First, it reduces the pressure that foreign aid might otherwise place on our balance of payments. Second, the jobs of some 700,000 American workers are involved in the goods and services produced in the U. S. for foreign aid purposes."

A total of \$658,544,289 was paid to U. S. firms, organizations, and producers during the past eight years for goods and services purchased by A.I.D. for the economic assistance program. How did Massachusetts make out under these procurement contracts? It received \$28,520,951 -- a pretty substantial boost to this State's economy and the jobs of Massachusetts workers. The figures for the other New England States are equally impressive.

What about the foreign aid activities and expenditures of other free world developed nations? The U. S. has rightly urged other industrially advanced nations to shoulder their fair share of assistance to developing countries. This insistence on cooperative free world effort is thoroughly justified and is producing the desired results. Secretary of State Dean Rusk recently pointed out that during the last five years, our NATO allies and Japan have increased their foreign aid commitments from \$1.3 billion to \$2.3 billion annually. We hope that their efforts will continue to expand but we are glad to see the increase that has already taken place.

It is evident that the U. S. is by no means alone in its concern for improving the welfare of the people in the developing countries.

The turbulent winds of restless change are buffeting the peoples of the underdeveloped nations of the world. Social revolution is taking place in these emerging societies. In these nations in ferment, free democratic trade unions play a key role in helping oppressed millions to achieve economic freedom, social progress, and a change to meaningfully participate in shaping their own and their country's development and destiny.

Remarks by George Cabot Lodge before the Massachusetts
Convention, AFofL-CIO, October 4, 1962

At the outset it would be appropriate for me to say a word about medical care to the elderly. So that there is not the slightest doubt - I am entirely in favor of a federal program of health insurance for the elderly financed through the Social Security System for those now on social security and through other methods for those not on Social Security. There are many good, honest, and sincere men who oppose any program but, in my view, they simply do not understand the problem.

The Administration seems to appreciate the problem but its proposals are insufficient. The King-Anderson Bill would not cover those three million Americans who are over 65 but are not on Social Security. These people are among the most needy and they must be covered - and it should be noted that the Administration once recognized the obvious justice in this approach when it supported the last minute compromise which would have extended coverage to those not on Social Security.

There are in addition many millions of Americans who have private insurance plans which are as good or better than proposed government plans. There seems to me to be no need to require these people to pay for an additional government program. They should be allowed to use their social security tax to pay for their own private plan. What we seek is adequate insurance, not uniformity.

And let me just say a word of praise to the Massachusetts insurance firms for their responsible initiative in offering the new "Massachusetts 65" insurance. As in most things government alone cannot solve our problems - it takes the determined and constructive efforts of all interested parties.

* * * * *

In these remarks I would like to address myself to four distinct but related subjects: labor's role in foreign policy; the impact of the Common Market on our economy; the need for cooperation among labor, management, and government; and the political independence of Massachusetts labor and Massachusetts senators.

A new responsibility of labor grows from the rapid emergence of the newly developing countries. We, too, were once a "newly developing country", and we ignore a significant fact of history when we fail to recognize that in our early stages of development as a nation, worker organizations played a significant role and one surprisingly similar to that of labor unions in newly developing countries today. One of our weaknesses in presenting an understandable and persuasive image of America to the emerging countries has been our failure to see ourselves as we were in 1776 and the years immediately thereafter. Our revolution with its Declaration of Independence is still the most important ideological event in modern times. If we deny it or blur it or fail to make its meaning explicit today, we are denying ourselves our most valuable asset.

I was never more aware of this than at a meeting of the International Labor Organization in Geneva where a young African trade-union leader from a country which had just won its independence came to me, his eyes blazing with intensity, to ask detailed questions about our revolution and its aftermath. Sorely worried about Communist inroads in his country, he said that what he wanted more than anything to save his country's freedom were copies of The Federalist Papers. Those to him were more valuable at that moment than any amount of money, technical assistance, or vague talk.

We should not forget that the workers in colonial America played an important role in our fight for political liberty. As in the newly developing world today, the worker organizations of America were formed for mutual aid, political agitation, and overall improvement. So, in the newly developing countries, we also see strong opportunities for the workers, more specifically, the free trade unions, to mould a strong foundation from which those countries can develop. The relationship is a very natural one. It is a fact that trade unions in these fast emerging countries are training grounds for future political leaders. Mboya in Kenya; Nkrumah in Ghana; Bourguiba in Tunisia; Adoula in the Congo; Betancourt in Venezuela; Lopez-Mateos in Mexico - all of these men came directly from positions in trade unions to high political office.

It is an unmistakable pattern, and the Communists are well aware of this. Throughout the southern half of the globe we find free-anti-Communist unions, struggling for the loyalties of their workers with unions dominated and financed by the Communists. Let me cite a particular example:

When I was Assistant Secretary of Labor part of my job was to study Foreign Aid. In Ecuador, and this was a typical situation, I found two trade unions battling for control of the construction trade. One was anti-Communist- the other was Communist dominated and financed. Working within the framework of the bureaucracy, I was too restricted to accomplish anything by ordinary methods. But by throwing the book away, so to speak, I was able to "acquire" cement and other construction materials and to get these materials to the pro-Western union. The houses were built - and the workers naturally sided with the free union - and the Communist union collapsed.

This is Foreign Aid at the bread-and-butter level, and it's the kind of aid that only trade unions can give on a broad scale. It is next to impossible for the Government to step in and give this kind of direct aid, but it is a natural and inexpensive way for American trade unions to provide real assistance in our Cold War struggle.

It seems uniquely appropriate to turn to American labor for direct help in the Cold War because American labor was the first organized group to recognize the Communist conspiracy for what it was. Your vigilance against Communists in your ranks served to sound the clarion call years ago. Now you can serve directly again to help turn the Communist tide.

* * * * *

The Common Market can be a force for strength, prosperity, and unity throughout the entire free world. But as it presents us with opportunities, so the Common Market creates problems.

It is natural that the first impression of the Common Market is that it will create unemployment on this side of the Atlantic. And it is obvious that imports will hurt some businesses. We have already had an example of this in Massachusetts. In the last two weeks, two shoe companies

in Haverhill closed because of the rapid increase in imports of European shoes. Whenever cases like this occur, we need temporary protection and relief measures to provide readjustment to the areas and businesses affected.

But, basically, unemployment from imports is not the problem. Imports will put some people out of work but not many and our increased exports to Common Market countries will provide some work.

The most serious and immediate problem is the increased unemployment which will stem from increased productivity. In order to increase our productivity, our rate of production per man hour must be stepped up - and inevitably, this means more rapid automation and technological development than in the past.

We cannot compete effectively in world markets without increased automation, but we must recognize the problems that automation will bring. It will require an increasingly skilled work force - and those without the skills may well be without work. Furthermore, yesterday's skilled worker is today's semi-skilled worker and if he does not learn new skills he will be unemployed tomorrow.

So, the problem is one of training and retraining and if we do not provide adequate training programs we should not expect labor to accept automation enthusiastically. I believe the Administration's answer, the Manpower Re-Training Program, is inadequate because it trains people badly for jobs which do not exist.

I would like to propose a new approach. Through a system of tax incentives we should attract expanding business into areas of high unemployment - and Massachusetts has many of these areas - and allow them to use their own advanced training techniques to develop the labor forces they will need. It would work like this: suppose the Government could tell a Michigan chemical firm that in Fall River it could find an unemployed work force with such and such skills, and that if the Michigan firm were to locate in Fall River it would get a tax credit sufficient to underwrite the company's required training. Then the company would have added incentive to locate in Fall River. It could begin its training program in advance of moving, and when the plant operations began, the unemployed would be employed and the new plant would

have a well-trained work force. This plan would have the dual advantages of updating the workers' skills to compete in today's markets, and of relieving certain areas in which unemployment is high.

I also propose a program of Federal-State matching grants for the establishment of two-year, post high-school, intensive training schools. These schools can give to our youth the technical training they so urgently require for modern industry but cannot attain in today's schools.

I do not propose these programs as the only avenues of solution. This problem requires all our interests, all our efforts to provide industry with the skills that are required. Labor, as in the past, must continue to provide training programs of its own, and certainly American labor has been vigilant in providing programs and benefits for its workers. But one aspect of some of these programs has disturbed me. There is evidence that in labor's training programs a few are not complying with the needs of the Negro, and this discrimination occasionally even affects membership. This is particularly distressing because no discrimination is consistent with labor's high principles. Even as it fights for equality and social justice, it must now maintain leadership in the fight for Civil Rights. Laws can go a long way to institute these rights, but we need action from all elements - Government, Labor, and Management - and the labor movement should be in the forefront as it has always been in the fight to maintain equality and dignity among all men.

Let me extend my remarks one step further. We have a hot political contest going on in Massachusetts and I have occasionally criticized the shortcomings of this Administration in the area of Civil Rights and, I felt, justly so. But I would now like to say without reservation that I commend the President for his firm, courageous, and unequivocal stand in the case of James Meredith and the University of Mississippi. As with every man, there comes a time for every government to stand up and be counted, and I, for one, in this case am proud of our Government and proud of our President.

Another service which the labor movement can provide in our new economy is concerted, willing - even eager - cooperation with management and with the Government. With an economy so complex and with so many Americans and people abroad depending on the stability of the dollar, it is more important than ever to have amicable cooperation among Government, Labor, and Management. It is urgent that all

Highlights of A Speech given by
Joseph Salerno, New England Director,
Amalgamated Clothing Workers of America,
AFL-CIO, at the Massachusetts State
Labor Council, AFL-CIO Convention held
at the Hotel Bradford in Boston

RELEASE: THURSDAY
OCTOBER 4, 1962

AT: 5 P.M.

FOR FRIDAY MORNING PAPERS

"Labor, liberals and independents should unite above party to elect a Congress that will support President Kennedy's program and defeat the reactionaries at the polls this November," Joseph Salerno, New England Director of the Amalgamated Clothing Workers Union, said yesterday at the Fifth Annual Convention of the Mass. State Labor Council, AFL-CIO, in Boston.

For the good of America, we must give the President a working majority in Congress.

"Profiteers have had a Roman Holiday in ganging up against President Kennedy and through false propaganda have labeled him "anti-business," though profits are the highest in history."

"The Birches and the Goldwaters are promoting national hysteria against the new frontier and are working overtime to make the Republican Party the Anti-Labor War Party of America," he said.

"President Kennedy must stop being on the defensive and must come out fighting for his program against the Republican reactionary brigade and the Dixiecrats!" Salerno exclaimed.

Continuing, Salerno told the Convention delegates that, "we will lose the cold war against communism unless America will continue to be the symbol of social progress in the free world."

"Today, unemployment and education should be issues above party for the good of America. The problem of unemployment is interwoven with the problem of education. Technologists are transforming work faster than educators can transform workers."

"In the last five years, over one-half of the millions of unemployed have been unskilled workers. Today, while millions cannot find work, there is a shortage of skilled workers, teachers, nurses, technicians and executives."

"The revolution in automation makes national compulsory education through high school and at least two years of junior college a necessity to meet the needs of changing modern industry."

"One formal education period may have been enough for us but our children will need some form of continuous education because economic dislocations may force them to change their vocation two or three times during their life time as fewer and fewer workers will work in factories."



"To meet these social, economic and technological changes, education must be free. It must be based on the ability to learn, not on the ability to pay," Salerno declared.

He told his audience that, "complacency, conformity and neophobia - fear of the new - are the greatest enemies of America."

"While automation is changing the economic destiny of America and the atomic bomb has changed the destinies of the world, many continue to think in terms of the horse and buggy days."

"We are growing physically and morally soft. America needs a spiritual reawakening. Material success is destroying character and the Ten Commandments. Idealism and Democracy's fight for survival cannot be a matter of Fourth of July orations and Sunday observance only."

"To hold our place in history, Labor must also come out fighting for progress. We must stop apologizing for the few Hoffa's. Why don't the enemies tell the public of the hundreds of thousands of workers who fought and sacrificed for the cause of free public schools, the 8 hour day, minimum wages, social security, civil rights and legislation for the protection of men, women and children in industry!" Salerno exclaimed.

All rackets have cost the American people over \$100 billion in the last five years. Of the ten million crooks and criminals that were arrested for stealing, killing and embezzling in the same period, very, very few were labor leaders.

The mania for the fast buck has invaded every sphere of American Society much more than it has invaded the American labor movement. Outside of religion, the Labor Movement is still the most idealistic force in American Society today.

"Labor is not a selfish economic group. We are not fighting for union members only. Our struggles for medical care for the aged through social security, federal aid to education, civil rights, fairer taxation and jobs for all are issues for the good of all America and not just for union workers." he asserted.

The Labor Movement is the peaceful progressive people's lobby in city, state and national legislative halls. We are fighting for peace and security for all people.

The militant struggle for better social legislation through peaceful political action is the best avenue for social progress for the working people of the nation.

In the past, Labor fought for the 8 hour day and the 40 hour week. Today, Labor must fight for the 7 hour day and the 35 hour week through national legislation.

The Labor Movement is the most consistent crusade for the abolition of poverty. Labor is the greatest bulwark against communism. Labor is the major brother of liberty. Whenever dictators take over any country, the first two things they suppress are free speech and the free labor movement.

"Labor conventions are schools of Democracy. Within the heart of the American Labor Movement still live the hopes of millions and the future of American Democracy," Salerno concluded.

STATE TAXES ARE HERE TO STAY!

Every year since 1780 has seen some increase in state responsibilities and improvement of state services.

Hospitals for tuberculosis, cancer, mental illness, and chronic diseases; state colleges and a university; housing for elderly people; measures to help the blind, preserve natural resources, regulate banks, protect citizens from racial or religious discrimination, and keep milk and water sanitary --- over the years, these and thousands of other concerns have had to be assumed by the state for the protection and benefit of everyone. We all gain from having working conditions supervised, epidemics prevented, and elevators inspected.

State service needs and costs will not decrease in the years ahead.

Moreover, the state should be contributing more money to the cities and towns to help pay for public education and welfare programs. Massachusetts lags behind other states in such aid to local communities. Inadequate state assistance means

- the highest welfare burdens on those cities with many needy persons
- excessive school costs for communities with a large proportion of children
- inadequate education for children in some localities

AND

- the highest real estate taxes in the country

WHAT ARE THE ALTERNATIVES?

All tax experts agree that Massachusetts must in some way raise more money at the state level in order to cover the costs of government and stop the upward spiral of property taxes. But how?

Raising the present income tax rates without changing the present constitutional provisions would only aggravate the existing inequities.

A sales tax would be even more unfair. It makes no allowance at all for ability to pay. It hits hardest on the low and middle income groups and on the young and growing families. Besides, it involves a large amount of "leakage" and is costly to collect.

The graduated income tax would not be a new tax and therefore would not require additional expensive administrative machinery. It could best take into account both the amount of money people have and their needs (dependents, medical bills, etc), and adjust the burden to the strength of the bearer. You wouldn't pay the tax unless you had the income!

WHY THE PROPERTY OWNER NEEDS A BREAK

The property tax accounts for 54% of all the state and local taxes raised in Massachusetts. (The personal income tax accounts for only 13%, with even smaller amounts from all other tax sources.)

Yet the property tax does not necessarily reflect the tax-payer's ability to pay. When he retires, loses his job, or dies, and family income is radically diminished, the high property taxes continue - and even increase. Almost everyone would benefit if a smaller proportion of taxes were tied to property and a larger proportion to income -- and the ability to pay.

High property taxes burden everybody - businessmen, home-owners, and tenants who pay the tax as part of higher rents. High property taxes adversely affect all citizens by retarding local development and distorting land use.

Massachusetts real estate taxes are still skyrocketing. Individual homes and business properties are taxed two or three times as much as in the 1940's. If the trend continues, what will happen to home-owners and business men in the next fifteen or twenty years?

QUESTION #1 MUST BE SUPPORTED! IT MAKES SENSE!

With repeal of the present constitutional provisions, new tax laws could be enacted which would

Eliminate discriminatory aspects of the present laws

Carry out the principle of "ability to pay"

Treat persons with equal income equally

Passage of the amendment is a necessary first step. Without it real tax reform is impossible!

VOTE "YES" ON QUESTION #1!

THE AMENDMENT IS GOOD FOR BUSINESS

The business groups which have long decried exorbitant property taxes now have the opportunity to support a better tax system.

A graduated state income tax would, not "soak the rich." Taxes paid to the state are deductible from your income for federal tax purposes, a substantial consideration for upper-bracket tax-payers.

The charge that the amendment could be applied to corporate as well as personal income is untrue. Article 44 applies only to personal income.

A graduated state income tax does NOT "drive business out." Many of Massachusetts' former textile and leather firms are now in Georgia, North Carolina, and other states which already had graduated income taxes.

Changes which make Massachusetts a better place in which to live and to work inevitably benefit business. Massachusetts' flourishing high-skill industries cannot attract and keep needed personnel unless the schools and other services are good.

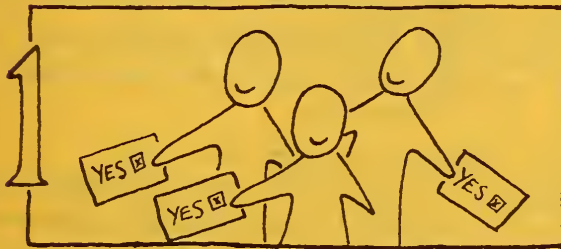
A VOTER'S GUIDE TO QUESTION #1

ON YOUR NOVEMBER BALLOT

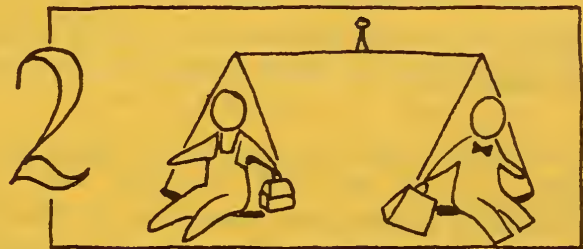
6 REASONS WHY YOU SHOULD VOTE **YES**

FOR TAX REFORM.

(Question # 1, a proposed amendment to the state constitution, would permit graduated rates in the present income tax and the elimination of discriminatory features.)



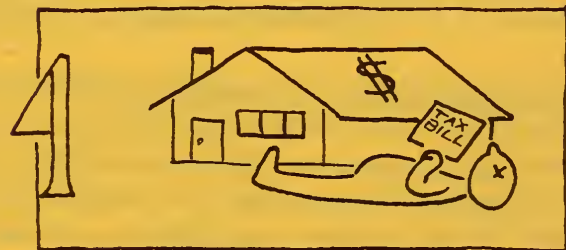
1 VOTE YES to permit intelligent reform
of the tax laws.



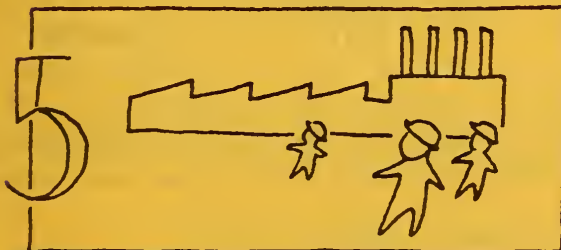
2 VOTE YES for fair taxes based on
ability to pay.



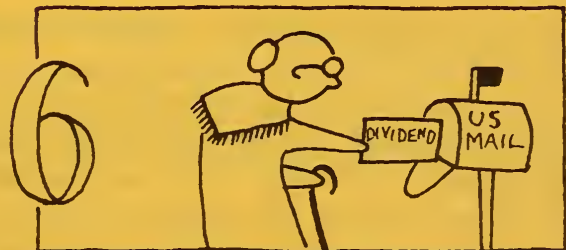
3 VOTE YES for better methods of
supporting good schools, hospitals,
and other services.



4 VOTE YES, if you want your property
taxes to stop skyrocketing.



5 VOTE YES, because a fair state tax
and good state services improve the
business climate.



6 VOTE YES to end unfair discrimina-
tion against those who depend on "so-
called" unearned income.

VOTE YES ON #1

THE FIX WE'RE IN --- OUR PRESENT TAX LAWS

The tax structure of Massachusetts is controlled and limited by provisions of the state Constitution (income tax article #44).

WHAT'S WRONG WITH ARTICLE 44?

Its provisions make the state income tax laws illogical and inequitable.

- 1) The rate of tax depends not on the amount of an individual's income (as under the federal law) but on the sources from which the income is derived.

There is little logic in rates differentiated by source.

Massachusetts citizens are taxed 3.075% on earned or business income; 7.38% on interest, dividends, or capital gains; and 1.845% on annuity income. In completely arbitrary fashion, some pensions are taxed as business income while others are tax-exempt, as is interest from Mass. savings banks.

This hodgepodge does not make sense! A person's ability to pay taxes depends on the size of his income, not its source. Widows or older people who live on "unearned income," for example, may be in modest circumstances yet pay at more than twice the rate of others on the same financial level whose money comes from a business, or more than three times the rate of individuals living on annuities.

- 2) All income of the same kind must now be taxed at the same rate, regardless of the total amount of income. This kind of flat-rate tax is unfair. Good tax policy demands that taxation should be based on ability to pay. If Family A with taxable net income of \$4,000 and Family B with \$40,000 both pay the same percentage, the state is requiring much greater sacrifice from the A's than from the B's.

THE PROPOSED CHANGE

The amendment would permit the legislature, as an alternative to article 44, to vote "a tax on incomes at rates which are proportioned or graduated according to the amount of income received, irrespective of the source from which it may be derived."

A graduated income tax means that everyone pays a low rate on his first few thousand dollars of taxable income, but pays higher rates on added increments.

The amendment would not itself change present taxes. It would, however, make better alternatives available for future tax reforms.

There's nothing revolutionary about a graduated state income tax: 31 other states have it.

WHY GRADUATION MAKES SENSE

All tax-payers should support whatever changes will bring their taxes into closer relationship to their own ability to pay. Every business or professional man has some years which are more profitable than others. Every working man faces some periods of good wages and others of short-time or unemployment. And almost everyone, prosperous or poor, must face the likelihood of significantly reduced income in his later years.

The intelligent tax-payer will be willing to pay proportionately more tax in years of higher income if he can pay less at times of lower income.

Give this to Joe Ceres when you see him

BASIC FACTS ABOUT REFERENDUM QUESTION NO. 1

by Robert M. Segal, Counsel for
Mass. State Labor Council, AFL-CIO

1. "The proposed amendment proposes no new taxes but gives the General Court the power to pass an income tax at graduated or proportioned rates and is a change in the constitutional limitations now in effect on the power of the General Court to pass tax measures." (From Summary prepared by Attorney-General for Voters)

2. The present state tax system is a hodgepodge:

a) It is hamstrung by Article 44 of the Constitution which imposes arbitrary barriers to any tax reform, for it requires that taxes on the same source of income must be taxed at the same rate.

b) It discriminates based on the source of the income not the amount of income; it prevents taxes on income at rates proportioned or graduated according to the amount of income received.

c) Mass. taxes bears most heavily on pensioners, widows and orphans for income from interest and dividends are taxed at a higher rate (7.38%) than from earned income (3.07%).

d) Our taxes on homeowners are among highest in nation.

e) While Mass. on a per capita income basis is the eighth largest state in the nation, on the basis of per capita state tax (not local real estate tax), Mass. is 24th.

3. Tax Trends in Mass. between 1955 and 1962 show some interesting data:

a) Tax revenues have increased by nearly \$200M. from \$319 to \$517M.

b) Taxes on personal income rose from \$86.9M to \$178M, or from 27.2% to 34.4% of the total revenues.

(1) earned income revenues rose from \$46.5M. to \$110.5M.
or from 14.6% to 21.4% of total revenues.

c) Taxes on business rose from \$93.2M. to \$139.2M., but dropped from 29.2% to 26.9%.

(1) Corporate taxes contributed \$66.8M. in 1955 and \$101.3M. in 1962 but dropped from 20.9% to 19.59% of the total.

(2) Insurance paid only \$13.8 and \$20.6M. or 4.33% and 3.99% respectively.

(3) Public Utilities only contributed \$6.3M. in 1955 and \$6.2M. in 1962, or 1.99% in 1955 and 1.19% in 1962.

(4) Bank taxes contributed \$6.2M. in 1955 and \$11.2M., or 1.98% in 1955 and 2.16% in 1962.

d) Taxes on Commodities Sold (a sales tax) contributed \$112.3M. in 1955 and \$162.69M. in 1962, or 35.2% and 31.37% respectively.

(1) motor fuel taxes contributed \$55.7M. in 1955 and \$81.88M. in 1962, or 17.44 and 15.87% respectively.

(2) alcohol beverages contributed \$22.4M. in 1955 and \$27.8M. in 1962 or 7.00 and 5.39% respectively.

e) Taxes on horse and dog contributed \$10.8M. and \$14.3M. or 3.38% and 2.76% of the total revenue collected.

f) The above show these facts:

(1) The tax on personal income constitute the single largest segment of our tax revenues with 34.44% of the total and taxes earned income constitute 21.37% and now make up the single greatest item of our state tax revenues.

(2) Taxes on income now contribute more than corporate taxes (21.37% from earned income and 8.14% from income from interest and dividends as compared with 19.59% from corporations).

(3) Taxes on All Income contribute 34.44% of our total state revenues compared to 26.93% from taxes on business.

4. N.Y. Income Taxes Compared to Massachusetts:

(a) In New York, a married person with two children and with a \$40,000 income pays an income tax of \$2695 while the same person in Mass. only pays \$761 (or \$965 if he has some interest and dividends).

(b) In New York, a married person with two children and with an income of \$50,000 pays a state income tax of \$3595, while the same person in Mass. pays only \$917 (or \$1179, if he receives part of his income from dividends and interest).

5. Alternatives to Tax Reform Predicated on Taxes Based On Ability to Pay:

(a) Sales Tax - this is one of the few alternatives which would produce increased revenues to meet our needs and possibly help our homeowners.

(1) but a sales tax is regressive and bears most heavily on those least able to pay.

(b) Continuation of Present Hodgepodge with increases in the present rates which are not based on ability to pay but on source of income and with continual increases in taxes on the homeowners, the pensioners and widows and on earned income with no regard for proportional or graduated rates.

(c) Freeze Article 44 in present constitution with no further opportunity to reform our tax system until two further successive Legislatures pass the amendment and the people pass this same amendment in the future.

6. Opponents of Question No. 1:

(a) The Committee Against Increased Income Taxes consisting of Edward F. Connelly, a State House lobbyist for insurance companies, Arthur J. Conley, a former lobbyist with the state taxpayers' federation and now doing this same kind of work for insurance companies, and John O'Connor, public relations director for the casualty insurance companies. In the Western part of Mass., there are John E. Joyce, Jr., Administrative assistant to the director of the Association for Business and Commerce for Central Berkshire, and former State Senator, James P. McAndrews of Adams; an agent for Berkshire Life Insurance Co. Also the A.I.M. and Chamber of Commerce and other sales tax proponents.

7. Comments on Ref. Question No. 1:

(a) A.A. Michelson in Berkshire Eagle on October 6, 1962 points out, "Utterly buried in the whole campaign against a graduated income tax, which comes up for popular approval in a ballot referendum in November, is the main issue. The issue is whether a graduated income tax system, based on ability to pay, is fairer than the existing flat rate system by which all 'earned' income is assessed at the rate of about 3.07 per cent, all 'unearned' income is assessed at the rate of 7.38 per cent, and income from annuities is assessed at 1.845 per cent. Under a

Part of the balance from previous year was used for the purchase of new equipment and materials.

(b) Deletion - This is one of the alternative ways to remove unwanted records from the database. It is used to delete the records from the database. It is used to delete the records from the database. It is used to delete the records from the database.

(1) But a minute this is very interesting and I have not heard of this before.

(2) Various attempts are in progress concerning the
development of a system for the control of the
legislation of the country and the control of the
legislation in the country.

[illegible]

graduated system, classified income would probably be discontinued and all rates would depend on the amount of annual income rather than the kind."

"There are incongruities in the campaign against the graduated income tax, other than one which finds the big insurance companies and Associated Industries of Massachusetts looking out for the welfare of the low-income and working 'classes.' (It is interesting to note that the same people are advocates of a sales tax which has the sharpest impact on low income groups.)"

"In the meantime, the question on the ballot still concerns the adoption of a new system, not the digging of a new gold mine."

(b) The League of Women Voters state:

"Passage of the Tax Amendment Will:

1. Impose no new tax - graduated or otherwise.
2. Open the way for tax reform - by removing a Constitution restriction.
3. Permit a choice among methods of taxing income - Income can now be taxed only at flat rates which vary according to the source of income (salaries at one rate, interest and dividend income at another.). The amendment will permit income to be taxed at rates graduated according to the amount regardless of source. Our elected representatives can then consider which method best meets the needs and desires of Massachusetts citizens.
4. Make no change in the present income tax - A change can occur only if a new tax law is enacted by the General Court and approved by the Governor."

(c) ADA says "Vote Yes:

1. to permit intelligent reform of the tax laws.
2. for fair taxes based on ability to pay.
3. for better methods of supporting good schools, hospitals, and other services.
4. if you want your property taxes to stop skyrocketing.

"There are investigations in the samples which are produced
which are other than what I think the big business
companies and American industries of the American people
and the welfare of the American people and the
it is important to note that the same people are involved
of a series of which the average person is not aware."

"In the meantime, the President on the subject will continue to be a man of a few words, and the subject of a few words."

[illegible]

5. because a fair state tax and good state services improve the business climate.
6. to end unfair discrimination against those who depend on 'so-called' unearned income."

10. The Commission has also received information from the public that the Commission's decision to grant the license to the applicant was based on the applicant's financial strength and the applicant's ability to pay the license fee.

February 5, 1962

ARGUMENTS FOR THE TAX AMENDMENT

The tax amendment proposed in the referendum which will appear on the 1962 ballot is not complex. It would simply grant to the Legislature an important tax power which it now lacks, but which is used by some 30 other states. It would assure that the Legislative tax-kit contained the tools other states have found effective. As Paul Nitze, formerly of the John Hopkins School of Advanced International Studies, asserts, "The essence of freedom is the opportunity to choose."

If our patchwork tax system, condemned by every commission which has studied it, comes to the point of revision, shouldn't the Legislature have a full choice of taxes with which to build a logical, sound new system?

In the face of our constantly growing expenditures, can we afford to have any avenue of revenue kept blocked? Shouldn't the Legislature be free to look in every direction for the best source of additional money?

These practical questions relate directly to the purpose of the amendment, but the League is sure to be met with others which are really not relevant to it.

Year after year, the hearings on bills which have proposed similar amendments have been turned into forums for the discussion of whether graduated rates in income taxes would be good or bad for corporations, or good for some and bad for others; whether they would be good for individuals, or bad; whether they would be more productive, or less productive than other rates, or other taxes, and so on.

All these are important considerations, but they are not actually pertinent to the amendment. Such matters can not be examined intelligently in a vacuum. There is no foundation for such discussion until a specific bill is proposed which would stipulate exactly where graduated rates would be applied, the maximum and minimum rates, the scale of gradation, the limits of gradation, and the exemptions and deductions to be allowed. On such a bill there would be public hearings where arguments for and against would be in order.

Some opponents of the amendment, who seem determined to resist consideration of the graduated tax on an equal basis with other taxes, confuse the public by dragging in these extraneous subjects. Newspapers have compounded the confusion by their reporting.

Certainly many, many people will not understand what their vote on the amendment will mean unless the League does a big job of clear and repeated explaining. We must not be detoured into profitless argument, but must stick to the point of removing from the Constitution a restriction which hampers the Legislature in carrying out its duties, and which reflects an obsolete attitude toward sources of revenue. It is important to realize that the 1780 Constitution was drafted when a graduated income tax was not yet on the horizon, so that the resulting prohibition of this specific tax was merely fortuitous.

There is strong authority against constitutional restrictions which limit the Legislature in its carrying out the principles laid down in the Constitution. For instance:

James Bradley-Thayer, an eminent constitutional lawyer, speaking of the national Constitution, said, "It showed its wisdom mainly in the shortness and generality of its provisions, in its silence, and its abstinence from petty limitations."

Mabel Newcomer, formerly head of the Department of Economics at Vassar, and the only woman invited to the Bretton Woods Conference at the close of the second world war, pointed out the significance of the fact that the constitution prepared by the Founding Fathers, with its broad grants of authority, and its avoidance of detail had withstood so well the test of time.

President Eisenhower's Commission on Intergovernmental Relations, in its report of 1955, warned that the states were restricting themselves in their taxing and borrowing powers to their own harm. They advised, "A due regard for the need of stability in government requires adherence to basic constitutional principles * * *. A dynamic society requires a constant review of legislative detail to meet changing conditions and circumstances."

If we can get to the people both the practical and the theoretical grounds for passage of the tax amendment, it seems likely that they will approve it. To reach them we must explain, explain, explain, in our tax committees, to our Boards, in the Units, to every Leaguer--and then to the community.

Berkshire Eagle (c)
PITSFIELD, Mass.
Circ. 28,717

1962

Beacon Hill Weekly

Organized Opponents of Graduated Income Taxes Are Deliberately Misrepresenting a Vital Issue

By A. A. Michelson

BOSTON.

SELF-INTEREST in politics is understandable, if not too defensible, but when an organization of businessmen, most notably insurance company executives and industrialists, is set up ostensibly to protect the low-income groups or the "working classes" from a proposed graduated income tax it is most certainly inviting a look into its motives.

The organization calls itself The Committee Against Increased Income Taxes. The committee's general manager is Edward F. Connelly of Boston, a State House lobbyist for insurance companies. Arthur J. Conley, a former lobbyist with the state taxpayers' federation and now doing the same kind of work for insurance companies is also identified with the "movement" as is John O'Connor, public relations director for the casualty insurance companies in Massachusetts. This committee has apparently worked up enough of a treasury to finance some public relations services and the use of "missionaries" in various sections of the state. In the Berkshire area, John E. Joyce Jr., administrative assistant to the director of the Association for Business and Commerce for Central Berkshire, and former state Sen. James P. McAndrews of Adams, an agent for the Berkshire Life Insurance Co., are beating the drums on behalf of the CAMIT.

UTTERLY BURIED in the whole campaign against a graduated income tax, which comes up for popular approval in a ballot referendum in November, is the main issue. The issue is whether a graduated income tax system, based on ability to pay, is fairer than the existing flat rate system by which all "earned" income is assessed at the rate of about 3.07 per cent, all "unearned" income is assessed at the rate of 7.38 per cent, and income from annuities is assessed at 1.845 per cent. Under a graduated system, classified income would probably be discontinued and all rates would depend on the

amount of annual income rather than the kind.

But rather than present this issue as a matter of principle, both sides are maneuvering. The CIO-AFL leaders and the Americans for Democratic Action, two of the organizations promoting a "yes" vote on the graduated income tax are talking in terms of stopping real estate taxes from "skyrocketing." (It should be noted that the other group in favor of a "yes" vote, the Massachusetts League of Women Voters, is playing the issue straight down the line — on the principle of ability to pay. That is, the League wants the graduated system to become legal so that the legislature can adopt it if it so chooses.)

THERE ARE incongruities in the campaign against the graduated income tax, other than one which finds the big insurance companies and Associated Industries of Massachusetts looking out for the welfare of the low-income and working "classes." (It is interesting to note that the same people are advocates of a sales tax, which has the sharpest impact on low income groups.)

These opponents are objecting that the graduated income tax plan has no "provisions" for returning the revenues back to cities and towns, that it might kill the adoption of a sales tax in Massachusetts, that it will be more difficult to bring industry to Massachusetts. They also complain that a "yes" vote on this issue would give the legislature a "blank check" and given such authority the legislature would "run wild." All of these objections are

strictly in the red herring class.

There are a number of reasons why a question of tax policy should not have a provision for a specific distribution of funds to cities and towns. In this instance, no provision is needed because there is already provision in the law as to how income taxes are distributed to cities and towns. This is only a question as to how income taxes should be levied, not how much revenue should be raised. It is not unlike the question of reappraisal of real estate valuations on the local level. The object is not to raise more money, but to raise it more equitably so as to bring about a fairer sharing of the tax burden.

IF THE OPPONENTS are seeking to kill off a graduated income tax so as to make room for a sales tax, they should say so. This would be a much more realistic basis for opposition than the shedding of crocodile tears for the "working classes." Actually, a ballot referendum giving people their choice between collecting more revenue from a graduated income tax as opposed to a sales tax would make more sense than just asking voters to authorize a new kind of tax. The odds are about 4 to 1 that a majority would not vote in favor of any one kind of tax, but given a choice they might be a little more realistic.

The argument that a graduated income tax would make it more difficult to bring industry to Massachusetts is contradictory and obtuse. It is based on the proposition that technicians and management officials will be reluctant to come to Massachusetts if there is graduated income tax. It is also based on the false premise that the proposed graduated income tax would be directed at corporations, thereby creating another deterrent. If, as the opponents claim, the graduated income tax will hit the "working classes" hardest, why should management and professional personnel worry? The fact is that no

industry that would otherwise be interested in setting up in Massachusetts is likely to be scared away because some of its employees would have to pay a graduated tax.

As to the out-and-out deception to the effect that corporations would be subject to higher taxes, the simple answer is that under existing state corporation tax laws there is nothing to prevent the legislature from graduating them more than they are presently. The great majority of corporation executives obviously do not know that there is a built-in graduated system in the existing corporation law.

THE LEGISLATIVE "blank check" argument is utterly specious and somewhat hysterical. The fact is that the Massachusetts legislature has had a blank check on the imposition of income taxes ever since they were adopted more than 40 years ago. There is nothing in the law that prevents the legislature from doubling the existing rate. And the record shows it has not shamed its authority. On the contrary, it might better be indicted for not having had the courage to increase income taxes over the years, thereby alleviating the burden of the local real estate taxpayer in the financing of such non-local expenditures as courts, welfare, and education.

The records of the U.S. Department of Commerce bear unassailable witness to the fact that legislature has, as a matter of fact, been dragging its feet in the field of income tax levies. They show that Massachusetts, on a per capita income basis, is the eighth wealthiest state in the union. But on the basis of per capita state tax (not local real estate tax), Massachusetts is 24th on the hit parade. It follows, then, that the field of income is the choice for Massachusetts to exploit if additional revenue is needed.

In the meantime, the question on the ballot still concerns the adoption of a new system, not the digging of a new gold mine.

FOR RELEASE: IMMEDIATE

(From The Governor's Press Office)

C-46

Text of Address Prepared For Delivery
By Governor John A. Volpe
Before the Fifth Annual Convention of the Massachusetts
State Labor Council AFL-CIO
Hotel Bradford, Boston, October 3, 1962 at 11:30 A.M.,
Wednesday.

I appreciate your generous invitation for me to participate in this Fifth Annual Convention of the Massachusetts State Labor Council AFL-CIO.

I welcome the opportunity as Governor to share in your discussions and to give an accounting of some of our programs in the interests of labor.

At the very start I wish to praise in particular, several leaders from organized labor whom I have re-appointed to high State office. Their ideas and actions have helped me and greatly benefitted the State.

I mention my right arm in labor affairs: John Callahan, Commissioner of Labor and Industries -- Thomas W. Bowe of the Industrial Accident Board -- Michael J. Gormley of the Mass Transportation Commission -- Bertram W. Kohl whom I appointed to the Personnel Appeals Board and others.

I know that you are as proud of this distinguished group's public service as I am.

- more -

As most of you know, I began work as a hod carrier and became a member of a plasterer's union. I entered public service from the post of a private business executive in the construction industry.

I believe the record will show that I am the only Massachusetts Governor of either party in our generation, who has had such a joint experience. It has given me life-long friendships on both sides of the collective bargaining table and -- I believe -- a genuine understanding of mutual aspirations.

Coming from such a background, I have tried, as Governor, to do my best to promote the mutual welfare of both labor and industry -- and I always will.

It is in that spirit -- the spirit of cooperation to reach a common objective -- that I present my views today.

The scope of your convention agenda indicates that delegates are well aware of the problems of this most hazardous decade in American history -- and are searching for solutions.

Almost everyone realizes that no state today is an island -- remote from this troubled world. The course of the Massachusetts economy not only is influenced by local conditions but also by the terrific impact of national and international affairs.

Our fate is affected by such overall factors as the population explosion -- the scientific revolution -- the nuclear balance -- the space race -- the civil rights crisis -- the

- more -

erupting new nations -- and the ever present menace of global Communism.

Nearer home we confront new threats to employment and stability in what may result from the new Federal trade expansion program, the changes brought by automation and the growing stiff competition from outside States and Nations.

All these problems require answers far more constructive than any promise of magic.

The Volpe Administration does not side-step hot potato problems. It tries to solve them.

One of our major purposes is to use Government to maintain a healthy economic climate in this State -- a climate of growth that strengthens job security -- increases employment opportunities -- and makes possible higher earnings for more and more Massachusetts people.

I am working with representatives of labor to plan and act for the benefit of the economy in general, and the welfare of working men and women in particular.

Here are a few examples: As Governor I was glad to sign the Bill increasing workmen's weekly compensation payments from \$45. to \$50 with substantial increases also in widow's benefits and permanent and total incapacity payments.

We found a log jam of around 5,000 cases waiting to be heard by an under-staffed Industrial Accident Board. We have tackled the problem: Made the Board a full-time Agency and are eliminating the undue delay in payments, which

previously caused so much hardship and suffering to working men and women of this State.

We are a step ahead of the Federal Government on the minimum wage. We've increased the State rate from \$1.00 per hour to \$1.15 currently in effect. The minimum wage in Massachusetts will be advanced on September 5, 1963 to \$1.25 per hour. This is two years before the Federal date for newly covered industries.

We've safeguarded workers rights by revising the old Sunday Blue Laws to permit necessary employment in certain categories of manufacturing and retailing, without denying workers in general their traditional day of rest.

Too long have the thousands of Massachusetts commercial fishermen been handicapped in making a good living in a market hard hit by foreign competition. We established a new unit of marine fisheries to develop both old and new fishing resources -- such as river estuaries -- as a means of increasing employment.

During the past two years, we have carried out policies that are attracting new job-creating industries to the State.

This expansion stems from the initiative of private enterprise, the economic reputation of the State and stepped-up administrative, promotional and legislative action by the State Government.

This year we provided a powerful new boost to growth and employment by revising the corporate tax law. The new rate encourages outside business to migrate here, invest in new plants and hire Bay State workers.

But one of the best things we have done to influence new industry to come to Massachusetts has been to drive out corruption -- and outside businessmen know of this house-cleaning.

They look on crookedness in public affairs anywhere at all as more than a moral and political question. To them it also is a dollars and cents question.

Business executives refuse to migrate and invest their money in any State or city whose Government is tainted. They stay away from places where officials are chisellers and grafters -- where theft increases taxes -- where job security is in constant jeopardy from the possibility that management will move to some other place for relief.

American labor hates corruption. It always fights corruption whenever it shows its ugly head in public affairs or private industry.

That labor attitude is also the Volpe attitude.

For the past two years I have had the overwhelming support of the upright working men and women of this State -- in both political parties -- in my drive to

clean up the situation.

I continue to need your support as Governor. If I am re-elected in November then I can finish for you and all the people of this State the cleanup job you elected me to do ^{seriously} ~~do~~

Now for some other accomplishments:

Closely connected with a worker's job is his means of getting to work. As you know, not only in Greater Boston but in all the big cities of the country, highways are jam-packed and railroads are starving. If mass transportation shrivels and dies not only will railroad employment vanish but also the jobs in industries that depend on rail service.

Aware of the growing danger we have passed legislation providing a \$10 million Federal-State study to find solutions before the impending crisis raises unprecedented havoc in employment and industry.

Massachusetts workers have a great stake in health programs because sickness, disability and medical care for the aged can cause heavy financial burdens on families. To help them we have enacted legislation authorizing joint action by private insurance companies in underwriting a single group policy of health insurance, providing hospital, surgical and medical care at low cost to persons sixty-five years of age and over. This week advertisements announce the start of the plan.

- more -

We are giving much attention to the growing problem of mental health. We are building a long overdue 500-bed hospital for mentally retarded children.

One of the great public causes promoted by labor this year has been a State Medical School. You will be praised for years for that progress.

I signed the Bill -- establishing a Medical School for the University of Massachusetts, so that local young people who want to be doctors will not be forced to leave our State because our private medical colleges are over-crowded.

We have increased enrollment in State higher educational institutions by more than 2,600. And this is not all.

You and I know the economic plight of high school drop-outs, displaced elders and other inadequately trained personnel. We are improving that unemployment situation through re-training and other help.

But there is still more to the education problem. We want to be sure our children are so well-educated that they will be able to meet and master every intellectual demand and employment requirement of the space age.

With our children's fate in view, I have appointed a Special Commission of top experts to probe our entire educational system and come up with ideas for drastic improvements.

It is the most comprehensive survey of its kind in State history -- but it is urgently needed to fit our children for life in tomorrow's world of ultra-science.

About every national poll reveals the mounting concern of American workers over any unnecessary expenditure of public funds and over the growing burden of Federal, State and local taxes.

Massachusetts is better off than most places. We have held down State Government waste and extravagance. As a result of good management the improvements that I have mentioned have been accomplished by two years of balanced budgets and without either a tax increase or new taxes of any kind.

That means money in your pocket and not snatched away by tax collectors.

One final word. Our program for today and tomorrow is aimed at promoting the best interests of all workers in this historic State, the cradle of American liberty.

I returned last night from an official trip to Denmark and Sweden, where the Free World Frontiers are almost within the shadow of the Iron Curtain.

American cities including Boston this week are welcoming Mayor Willy Brandt, West Berlin's great champion of free men. Both trips emphasize that free labor anywhere on earth can out-produce, out-earn and out-last any Communist slave labor.

My friends, I pledge that so long as I am Governor, I will do everything that I can to increase employment and to make our economy strong so our people can prosper and stay free.

I further pledge that I will strive to team up Government, labor and business in promoting together the welfare of this industrial Commonwealth and of its free people.

I submit my record in public office and this confession of faith for your review and -- I hope -- your approval of my stewardship.

Address by Senate President John E. Powers
Fifth Annual Convention, AFL-CIO - Oct.4, 1962

A YEAR AGO, I WAS HONORED TO ADDRESS YOUR FOURTH ANNUAL CONVENTION.

AT THAT TIME, I TRACED THE HISTORY OF THE LABOR MOVEMENT IN THIS COUNTRY,
FROM THE FIRST RECORDED STRIKE IN 1786, TO THE AMERICAN FEDERATION OF LABOR
UNDER SAM GOMPERS, TO THE AMALGAMATION OF THE A.F. OF L. AND THE C.I.O. IN
1955.

I AM SURE ALL OF YOU WILL AGREE THAT THE MOST FAVORABLE FACTOR IN
THE EMERGENCE OF LABOR TO ITS POSITION TODAY WAS THE SUPPORT GIVEN IT BY A
GREAT DEMOCRATIC PRESIDENT, FRANKLIN D. ROOSEVELT AND HIS DEMOCRATIC CONGRESS.
BY THE WAGNER ACT OF 1935, THE NATIONAL LABOR RELATIONS ACT, THE RIGHTS AND
DUTIES OF LABOR WERE ONCE AND FOR ALL FIRMLY ESTABLISHED.

TODAY, I SHOULD LIKE, BRIEFLY, TO EXAMINE THE ROLE OF THE COMMON-
WEALTH IN LABOR'S STRUGGLES.

WITHOUT ANY ATTEMPT TO INJECT POLITICS INTO THIS MEETING, IT MUST,
NEVERTHELESS, BE OBVIOUS TO ALL, THAT THE GREATEST LEGISLATIVE ACHIEVEMENTS
BY LABOR IN THIS STATE, LIKE THOSE ON THE NATIONAL LEVEL, HAVE BEEN ATTAINED
UNDER DEMOCRATIC ADMINISTRATIONS.

BEFORE GOING INTO SOME OF THE DETAILS, LET US DISCUSS SOME OF THE
REASONS FOR THE PERENNIAL DEMOCRATIC SYMPATHY WITH LABOR.

ACTUALLY, THE DIFFERENCE BETWEEN OUR TWO GREAT PARTIES IS EXEMPLIFIED BY THE ECONOMIC PHILOSOPHY OF EACH. THE REPUBLICAN PARTY BELIEVES, QUITE SINCERELY, THAT A STRONG BUSINESS AND INDUSTRIAL COMMUNITY WILL BE REFLECTED BY A STRONG ECONOMY AND PROSPERITY FOR ALL. FROM THE REPUBLICAN POINT OF VIEW, THEREFORE, EMPHASIS SHOULD BE PLACED AT THE TOP OF THE ECONOMIC LADDER. THIS IS KNOWN AS THE "TRICKLE DOWN" THEORY.

WE DEMOCRATS, ON THE OTHER HAND, PLACE THE ECONOMIC EMPHASIS ON THE PEOPLE, THE WORKERS, THE MASSES. WE BELIEVE, ALSO SINCERELY, THAT IF THEY HAVE MORE TO SPEND, AND MORE LEISURE TIME IN WHICH TO SPEND IT, THEY WILL PURCHASE MORE GOODS AND SERVICES, THUS ACCELERATING THE CYCLE OF MORE WAGES, MORE PRODUCTION, MORE JOBS. OUR PHILOSOPHY, YOU WILL NOTICE, WITH ITS ACCENTUATION ON HIGHER WAGES, MORE PURCHASES AND THE RESULTANT INCREASE IN PRODUCTION, BENEFITS LABOR AND INDUSTRY EQUALLY. THE REPUBLICAN PHILOSOPHY, ON THE CONTRARY BENEFITS ONLY INDUSTRY DIRECTLY, AND LABOR ONLY INDIRECTLY, IF AT ALL.

YOU HAVE HEARD THESE THEORIES DENOUNCED AND DENIED BY REPUBLICANS. BUT, DEEP DOWN IN HIS HEART, EVERY REPUBLICAN KNOWS THEM TO BE TRUE, HOPING ONLY THAT HE WILL BECOME ONE OF THE FEW AT THE TOP TO BENEFIT FROM A

REPUBLICAN PHILOSOPHY - BOTH ECONOMICALLY AND SOCIALLY. TO A VERY SMALL MINORITY OF AMERICANS, REPUBLICANISM HAS ACTUALLY BECOME A STATUS SYMBOL.

IN ANY EVENT, ON THE STATE SCENE, AND THAT'S WHAT I REALLY AM TALKING ABOUT, WITH ONLY AN OCCASIONAL DEFECTION, DEMOCRATIC LEGISLATORS HAVE ALWAYS SUPPORTED LABOR'S AIMS, WHILE REPUBLICANS HAVE OPPOSED THEM.

THE MASSACHUSETTS LEGISLATIVE SESSION OF 1962 WAS NO EXCEPTION.

UNDER THE VIGOROUS AND ABLE LEADERSHIP OF BILL BELANGER AND JIM BROYER, LABOR, ASSURED OF SUPPORT BY A DEMOCRATIC CONTROLLED GENERAL COURT, SUCCEEDED IN PRESSING TO A CONCLUSION SEVERAL BILLS OF GREAT SIGNIFICANCE TO LABOR AS A WHOLE AND TO THE INDIVIDUAL UNION MEMBER.

MANY MEN AND WOMEN INJURED BY INDUSTRIAL ACCIDENTS HAVE BEEN OBLIGED TO WAIT INTERMINABLY FOR A DETERMINATION ON THEIR CASES.

WE ADDED TWO INDUSTRIAL ACCIDENT COMMISSIONERS, INCREASED THE SALARIES OF ALL, LENGTHENED THEIR TERMS, BROADENED THEIR POWERS, AND AT THE SAME TIME, REQUIRED THAT THEY GIVE FULL TIME TO THEIR JOBS. THUS WAS CREATED A MORE INDEPENDENT AND JUDICIAL AUTHORITY IN WORKMEN'S COMPENSATION. BENEFICENT RESULTS ARE ALREADY APPARENT.

IN 1961, THE UNEMPLOYMENT COMPENSATION FUND WAS NEARLY DEPLETED.

THE LEGISLATURE TOOK ALL EMPLOYERS OFF THE MERIT RATING UNTIL THE RESOURCES OF THE FUND HAD BEEN INCREASED TO A SAFE LEVEL.

WE PASSED A NEW MINIMUM WAGE LAW, RAISING THE MINIMUM WAGE FOR INTERSTATE INDUSTRY FROM \$1 TO \$1.15 PER HOUR THIS YEAR, WITH AN AUTOMATIC INCREASE TO \$1.25 PER HOUR NEXT YEAR.

INDUSTRIAL HOMEWORK WAS FURTHER RESTRICTED.

IMPORTATION OF STRIKE BREAKERS WAS FURTHER RESTRICTED.

WORKMEN'S COMPENSATION BENEFITS FOR MANY SPECIFIC INJURIES WERE SUBSTANTIALLY INCREASED.

WE PLACED THE EMPLOYEES OF THE MASSACHUSETTS TURNPIKE AUTHORITY AND THE WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY UNDER THE JURISDICTION OF THE STATE LABOR RELATIONS COMMISSION IN COLLECTIVE BARGAINING CASES. (TEAMSTERS' UNION)

AND WE NOT ONLY PASSED A HIGHER MINIMUM WAGE LAW FOR TEACHERS, BUT MADE IT MANDATORY THAT MEN AND WOMEN TEACHERS RECEIVE EQUAL PAY THROUGHOUT THE COMMONWEALTH AND THIS DESPITE THE VETO OF HIS EXCELLENCY, THE GOVERNOR.

FINALLY, WE ACCOMPLISHED SOMETHING THAT LABOR AND THE DEMOCRATIC PARTY HAVE BEEN FIGHTING FOR OVER A PERIOD OF A QUARTER OF A CENTURY. WE

HAVE CREATED A STATE MEDICAL SCHOOL. IT HAS NOT BEEN EASY AND THE JOB HAS NOT YET BEEN COMPLETED. TO SELECT THE PROPER SITE, ERECT AND EQUIP LABORATORIES AND CLASSROOMS, AND ASSEMBLE A FIRST CLASS FACULTY, WILL TAKE TIME. AND, OF COURSE, MEDICAL SCHOOL GRADUATES MUST SERVE INTERNSHIPS BEFORE BEING QUALIFIED TO PRACTICE. BUT, IT IS ESTIMATED THAT TEN YEARS FROM TODAY, THE FIRST GRADUATES OF THE MASSACHUSETTS MEDICAL SCHOOL, ASSOCIATED WITH THE UNIVERSITY OF MASSACHUSETTS, WILL BE HELPING ALL OF US AND OUR CHILDREN TO LIVE HEALTHIER AND LONGER LIVES.

NO LONGER WILL A WORKINGMAN'S SON OR DAUGHTER BE OBLIGED TO FOREGO A MEDICAL EDUCATION BECAUSE HE CAN'T AFFORD IT.

NO LONGER WILL MASSACHUSETTS' YOUNG MEN AND WOMEN BE OBLIGED TO GO OUT OF STATE, SOMETIMES TO POOR, UNHEARD OF AND UNQUALIFIED SCHOOLS FOR A MEDICAL EDUCATION.

NO LONGER WILL A QUOTA SYSTEM BE APPLIED TO MEDICAL STUDENTS BECAUSE OF THEIR COLOR, RELIGION OR ORIGIN.

YES, THE DEMOCRATIC GENERAL COURT IS PROUD OF ITS ACCOMPLISHMENTS AND RECORD THIS PAST YEAR, AND RIGHTFULLY SO.

HOWEVER, I DO NOT WANT TO LEAVE THE IMPRESSION WITH YOU THAT WE

LISTENED ONLY TO LABOR. WE BELIEVE THOROUGHLY IN THE ECONOMIC PHILOSOPHY PREVIOUSLY DEFINED. THIS DOES NOT MEAN THAT WE ARE NOT AWARE OF INDUSTRY'S ROLE IN THE PICTURE, AND OF THE NEED TO KEEP MASSACHUSETTS INDUSTRY PROSPEROUS AND EXPANDING.

FOR THAT REASON, I AM PARTICULARLY PROUD OF THE FACT THAT THE PAST LEGISLATIVE SESSION DREW PLAUDITS NOT ONLY FROM LABOR, BUT FROM INDUSTRY AS WELL.

I HAVE TOLD YOU HOW WE TEMPORARILY ABOLISHED THE EMPLOYERS MERIT RATING IN ORDER TO REPLENISH OUR UNEMPLOYMENT COMPENSATION FUND. AT THE SAME TIME, SITTING DOWN WITH BOTH LABOR AND INDUSTRY, WE ARRIVED AT A NEW MERIT RATING STRUCTURE WHICH SATISFIED BOTH SIDES.

FOR YEARS, INDUSTRY HAD CRITICIZED OUR CORPORATE EXCESS INCOME TAX AS AN UNNECESSARY HARDSHIP ON INDUSTRY, WHICH ACTUALLY PRESENTED OBSTACLES TO EXPANSION AND TO NEW INDUSTRY. THIS YEAR WE ELIMINATED THAT CORPORATE EXCESS FEATURE. THAT ACTION WAS HAILED BY THE PRESIDENT OF THE ASSOCIATED INDUSTRIES OF MASSACHUSETTS AS "A SIGNIFICANT ACTION BY THE LEGISLATURE FOR THE FUTURE GROWTH OF THIS COMMONWEALTH". I MIGHT ADD THAT YOUR LABOR LEADERS COOPERATED WITH INDUSTRY IN THIS MATTER.

THE LIBERALIZATION AND STANDARDIZATION OF THE SUNDAY BLUE LAWS, WAS ALSO HAILED BY MASSACHUSETTS BUSINESS AS ENCOURAGEMENT AND A REALIZATION AND UNDERSTANDING OF ITS PROBLEMS.

THAT IS THE WAY THINGS SHOULD BE AND LEADS UP TO MY FINAL REMARKS.

THE LEGISLATIVE SESSION OF 1962 PROVED THAT YOUR GENERAL COURT CAN TREAT MATTERS OF INTEREST TO LABOR AND INDUSTRY WITH OBJECTIVITY, WITH DUE REGARD FOR THE RIGHTS AND DESIRES OF EACH, AND WITH THE PRIMARY PURPOSE OF PROTECTING THE GENERAL PUBLIC'S WELFARE AND PROSPERITY.

IT ALSO PROVED THAT, IN MASSACHUSETTS AT LEAST, LABOR AND INDUSTRY CAN SIT DOWN TOGETHER AND ARRIVE AT AMICABLE CONCLUSIONS AS TO WHAT BENEFITS EACH, AND MOST OF ALL, WHAT WILL BENEFIT THE COMMONWEALTH AS A WHOLE.

THIS, TO ME, IS THE MOST IMPORTANT POINT TO BE GAINED FROM THE LEGISLATIVE EFFORTS OF 1962. IN THESE DIFFICULT AND TROUBLESOME TIMES, EVERY SIGN OF WEAKNESS IN OUR WAY OF LIFE IS EXPLOITED BY THE COLD WAR ENEMY TO THE UTMOST DEGREE. FULL EMPLOYMENT AND GROWING EMPLOYMENT IS ABSOLUTELY ESSENTIAL IF WE ARE TO ADEQUATELY PROTECT NOT ONLY OUR OWN FAMILIES AND OUR OWN HEARTHS, BUT ALL OF WESTERN CIVILIZATION. HARMONY AMONG ALL FACTIONS AND SECTORS OF OUR SOCIETY MUST BE ACHIEVED WHEN IT

DOES NOT EXIST, AND MUST BE CONTINUED AND STRENGTHENED WHERE IT DOES EXIST.

OBVIOUSLY, LABOR AND INDUSTRY SUPPLY THE CORNERSTONES OF THAT SOCIETY. IF THEIR RELATIONS ARE HARMONIOUS, MOST OF OUR OTHER PROBLEMS WILL FALL INTO LINE.

AFTER A QUARTER CENTURY IN PUBLIC LIFE, I CAN VOUCH FOR THE FACT THAT MASSACHUSETTS LABOR AND INDUSTRY ARE WELL AWARE OF THE PERILS AND PITFALLS WHICH LIE AHEAD, AND THAT BOTH TODAY ARE DOING EVERYTHING IN THEIR POWER TO MEET THE CHALLENGE.

NEVER FORGET THAT IN EVERY ENDEAVOR TO BETTER THE LOT OF THE MASSACHUSETTS WORKING MAN, AS WELL AS IN EVERY ENDEAVOR TO INVIGORATE, REVITALIZE AND EXPAND MASSACHUSETTS INDUSTRY, YOUR GENERAL COURT IS MORE THAN WILLING TO LEND A HAND, TO SERVE NOT ONLY AS ARBITER, BUT TO OFFER STATUTORY AND FINANCIAL ASSISTANCE WHENEVER AND WHEREVER WARRANTED, AND ABOVE ALL, TO MAKE THE FINAL DECISIONS AS TO WHAT IS BEST FOR ALL THE PEOPLE OF THE COMMONWEALTH.

IN THOSE DECISIONS, WE HOPE FOR YOUR APPROVAL, BUT MOST OF ALL, FOR YOUR UNDERSTANDING.

* * * * *

Senator Umana,

Bill -

Jim -

Sal -

Joe Salerno.

Jim Gray.

Dick O'Keefe.

150,000,000 x 6 1957.

\$ 900,000,000

5,000,000 = \$ 30. - every man -
woman - child.

6 x 30 = 180. -

Labor saved \$ 900,000,000 -
from a "pick the pockets of the poor
tax."

ADDRESS OF ENDICOTT PEABODY TO THE
ANNUAL STATE CONVENTION, MASSACHUSETTS
AFL-CIO, THURSDAY, OCTOBER 4, 1962,
AT HOTEL BRADFORD, BOSTON

PRESIDENT BELANGER, SECRETARY-TREASURER LAUGHLIN, COMMISSIONER
CALLAHAN, VICE-PRESIDENT CAMELIO, LEGISLATION AGENT BROYER, COPE
DIRECTOR JOSEPH CASS, DELEGATES AND FRIENDS:

IT IS A DISTINCT HONOR FOR ME TO ADDRESS THIS FIFTH ANNUAL
CONVENTION OF THE MASSACHUSETTS STATE LABOR COUNCIL. IT IS ALSO
A PRIVILEGE TO FOLLOW HIS EXCELLENCY CARDINAL CUSHING AND TO BE
INTRODUCED BY MY OLD FRIEND, YOUR PRESIDENT, J. WILLIAM BELANGER.

THIS OCCASION IS AND SHOULD BE A VERY IMPORTANT OCCASION FOR
ANY CANDIDATE FOR GOVERNOR. (THE AFL-CIO REPRESENTS A MOST
SIGNIFICANT ELEMENT OF THE POPULATION OF MASSACHUSETTS WHICH NO
RESPONSIBLE OFFICIAL SHOULD DISREGARD.) IT IS A PARTICULARLY
IMPORTANT GROUP FOR A DEMOCRATIC CANDIDATE FOR GOVERNOR, IN THE
LIGHT OF OUR PARTY'S LONG IDENTIFICATION WITH THE ASPIRATIONS OF
WORKING PEOPLE AND WITH THE IMPORTANCE OF HUMAN NEEDS.

(MOREOVER, IT WOULD BE A MISTAKE TO ASSUME THAT THE FORCES OF
LABOR ARE JUST ANOTHER PRESSURE GROUP COMMITTED ONLY TO THE
NARROW SELF-INTERESTS OF UNION MEMBERS. FOR LABOR HAS PROVED
ITSELF TO BE ONE OF THE MOST PUBLIC SPIRITED OF ANY OF THE GROUPS
IN AMERICAN LIFE, OFTEN SUPPORTING GOVERNMENTAL MEASURES WHICH
APPEAR TO RUN COUNTER TO LABOR'S IMMEDIATE SELF-INTERESTS. FOR
EXAMPLE, I WOULD CITE LABOR'S STATESMANLIKE BACKING OF PRESIDENT
KENNEDY'S NEW TRADE PROGRAM.)

I CANNOT CLAIM ANY SPECIAL KINSHIP WITH THE LABOR MOVEMENT EITHER BY BIRTH OR EARLY BACKGROUND. I WAS NOT BORN IN A LOG CABIN, AND I AM NOT THE SON OF A POOR IMMIGRANT WORKER. ON THE OTHER HAND EXPERIENCE HAS SHOWN, I THINK, THAT THOSE PERSONS IN PUBLIC LIFE MOST SYMPATHETIC TO THE NEEDS OF WORKING MEN AND WOMEN ARE NOT NECESSARILY THOSE WHO GREW UP IN POVERTY, ENLIGHTENING THOUGH THAT EXPERIENCE CAN BE. I BELIEVE THAT I HAVE AN UNDERSTANDING OF THE LABOR MOVEMENT, AND I THINK THAT IF I AM ELECTED GOVERNOR, THE MASSACHUSETTS WAGE EARNER CAN FEEL THAT THE BAY STATE HAS A CHIEF EXECUTIVE WHO UNDERSTANDS HIS PROBLEMS.

BUT IT IS NOT MY INTENTION TO COME BEFORE THIS CONVENTION SIMPLY TO MOUTH GENERALITIES AND VOW MY UNDYING FRIENDSHIP. THE HOUSE OF LABOR IS TOO SOPHISTICATED TO BUY SUCH TALK AS THAT. MOREOVER, IT MAY WELL BE THAT I WILL HAVE DIFFERENT VIEWS FROM YOUR EXECUTIVE COUNCIL ON SPECIFIC ISSUES IN THE FUTURE JUST AS I HAVE HAD OCCASIONALLY IN THE PAST. NEVERTHELESS IT IS MY PURPOSE TO SUGGEST TO YOU TODAY THAT A CAREFUL COMPARISON OF MY RECORD AND MY VIEWS WITH THOSE OF MY OPPONENT, THE REPUBLICAN GOVERNOR, WILL CONVINCE MOST OF YOU THAT I MERIT YOUR SUPPORT.

LET US TAKE, FOR EXAMPLE, THE RECENT RECORD ON THE CHANGES IN THE MASSACHUSETTS MINIMUM WAGE LAW. A LOT OF PEOPLE THINK THAT MASSACHUSETTS IS A HIGH WAGE STATE. THE FACT IS, HOWEVER, THAT THE AVERAGE WAGE IN MANUFACTURING OCCUPATIONS IN MASSACHUSETTS

IS NOW 16¢ PER HOUR BELOW THE NATIONAL AVERAGE, AND MASSACHUSETTS IS NOW RANKED 36TH AMONG THE STATES IN AVERAGE WEEKLY EARNINGS. AT LEAST UNTIL THE NEW MINIMUM OF \$1.15 PER HOUR WENT INTO EFFECT ON SEPTEMBER 5 OF THIS YEAR, THERE WERE MANY MASSACHUSETTS' WORKERS RECEIVING WAGES CLOSE TO OR EVEN BELOW THAT RATE.

LAST YEAR A NUMBER OF BILLS TO RAISE THE MINIMUM WAGE WERE FILED, NOTABLY THE BILL JOINTLY SUBMITTED BY SENATOR FLEMMING AND THE MASSACHUSETTS LABOR COUNCIL, AFL-CIO. INCIDENTALLY, THIS WAS THE BILL WHICH I SUPPORTED AND TESTIFIED FOR AT THE COMMITTEE HEARINGS. THIS BILL, WHICH WAS PASSED BY THE LEGISLATURE SUBSTANTIALLY AS FILED, PROVIDED FOR A RISE IN THE MINIMUM WAGE TO \$1.15 PER HOUR BY SEPTEMBER, 1961 AND TO \$1.25 BY SEPTEMBER, 1963.

ON THE SAME DAY THAT IT WAS PASSED, MY OPPONENT, THE REPUBLICAN INCUMBENT, SENT THE MINIMUM WAGE BILL BACK TO THE LEGISLATURE WITH AN AMENDMENT RESTRICTING THE MINIMUM WAGE INCREASES TO THOSE IN MANUFACTURING EMPLOYMENT ONLY. THUS THE VOLPE AMENDMENT WOULD HAVE ELIMINATED MORE THAN A MILLION AND A QUARTER WORKERS FROM COVERAGE UNDER THE ACT, LEAVING THE NEW MINIMUM STANDARDS TO APPLY ONLY TO THE VERY MEN AND WOMEN IN OUR LABOR FORCE WHO, ALMOST WITHOUT EXCEPTION, WERE ALREADY ABOVE THE NEW MINIMUM.

BOTH THE HOUSE AND SENATE REJECTED THE VOLPE AMENDMENT AND RETURNED THE BILL TO VOLPE. AND WHAT DID HE DO? HIS RESPONSE WAS

TO POCKET VETO THE MEASURE, AND THEREBY TO KILL REFORM OF OUR MINIMUM WAGE LAWS FOR THAT YEAR.

AS YOU ALL KNOW, THERE WAS A HAPPY ENDING THE FOLLOWING YEAR, BUT ONE WHICH REFLECTS LITTLE CREDIT ON MY OPPONENT.

IN HIS ANNUAL MESSAGE TO THE GENERAL COURT, GOVERNOR VOLPE AGAIN POSED AS A FRIEND OF THE WORKING MEN BY STATING THAT HE FAVORED PASSAGE OF A NEW MINIMUM WAGE LAW IN MASSACHUSETTS -- A LAW, HE SAID, THE SAME AS THE LAW RECOMMENDED AT THE FEDERAL LEVEL BY PRESIDENT KENNEDY AND PASSED BY THE CONGRESS. HOWEVER, WHAT THE GOVERNOR DID NOT MAKE CLEAR WAS THAT HIS PROPOSAL WAS STILL THE SAME USELESS MEASURE HE WANTED IN 1961 -- A MEASURE WHICH, IT IS ESTIMATED, WOULD HAVE AFFECTED ONLY SOME 10,000 WORKERS IN THE WHOLE STATE.

LABOR COUNTERED WITH THE SAME BILL WHICH THE GOVERNOR HAD POCKET VETOED IN 1961. AGAIN I SUPPORTED LABOR'S BILL. IN VAIN THE GOVERNOR ATTEMPTED TO AMEND IT, BUT THE ADMINISTRATION'S AMENDMENT WAS DEFEATED BOTH IN THE HOUSE AND THE SENATE BY AN OVERWHELMING BIPARTISAN VOTE. THUS IT BECAME CRYSTAL CLEAR, IF IT HAD NOT BEEN APPARENT ALREADY, THAT THE GOVERNOR HAD GONE TO THE LENGTHS OF POCKET VETOING THE 1961 MEASURE, AND OF TRYING TO AMEND IT TO DEATH IN 1962, BECAUSE HE KNEW THAT EVEN LEGISLATORS ON THE REPUBLICAN SIDE OF THE AISLE WOULD GO AGAINST HIM IF HE GAVE THE LEGISLATURE A CHANCE TO OVERRIDE HIS VETO.

FACED WITH THIS FURTHER REBUFF, THE GOVERNOR SILENTLY SIGNED THE NEW MINIMUM WAGE LAW WITHOUT SO MUCH AS AN AUDIBLE WIMPER.

ANOTHER PROBLEM OF MAJOR CONCERN TO THE PEOPLE OF MASSACHUSETTS IS THAT OF ADEQUATE MEDICAL CARE FOR THE OLDER CITIZENS.

(ACCORDING TO THE 1960 CENSUS THERE ARE MORE THAN 600,000 MEN AND WOMEN OVER 65 IN MASSACHUSETTS. AS ALL OF US KNOW, THESE OLDER CITIZENS ARE MORE PRONE TO ILLNESS THAN OTHER AGE GROUPS. THUS THE EXPENSE OF MEDICAL CARE IS MUCH HIGHER FOR THEM, AND JUST AT THE TIME WHEN THEIR FINANCIAL RESOURCES ARE APT TO BE LOWER.

(YEAR-BY-YEAR THIS PROBLEM BECOMES MORE SEVERE, NOT ONLY BECAUSE THE NUMBER AND PROPORTION TO THE TOTAL POPULATION OF OUR SENIOR CITIZENS IS GROWING, BUT ALSO BECAUSE THE COST OF MEDICAL CARE IS INCREASING AT SUCH AN ALARMING RATE. IT IS ESTIMATED THAT THIS COST HAS INCREASED 3-FOLD IN THE LAST 20 YEARS.

WHILE THE LEGISLATIVE SOLUTION TO THIS PROBLEM OF MEDICAL CARE FOR THE AGED MUST BE SOUGHT LARGELY AT THE FEDERAL LEVEL, I THINK WE CAN ALL AGREE THAT THE GOVERNOR OF A STATE IS USUALLY IN A UNIQUE POSITION TO MARSHAL PUBLIC AND POLITICAL OPINION IN HIS STATE AND THUS TO MAKE AN EFFECTIVE EXPRESSION OF VIEWS THAT WILL BE HEARD IN THE CONGRESS.

PLEASE BE ASSURED THAT I WILL USE MY BEST EFFORTS, IF ELECTED GOVERNOR, TO BRING ABOUT THE ADOPTION OF THE KING-ANDERSON BILL AS RECOMMENDED BY THE NATIONAL LEADER OF OUR PARTY, PRESIDENT JOHN F. KENNEDY.)

THE KING-ANDERSON BILL IS FAR SUPERIOR TO THE RECENTLY ENACTED KERR-MILLS LAW. FOR A VARIETY OF REASONS -- NOT THE LEAST OF WHICH IS THE HUMILIATING MEANS TEST IMPOSED BY KERR-MILLS -- I REGARD THE KING-ANDERSON BILL AS "MUST" LEGISLATION, NOTWITHSTANDING ANYTHING THAT MIGHT BE ACCOMPLISHED BY PRIVATE INSURANCE PLANS SUCH AS THE RECENTLY ANNOUNCED "MASS 65".

IN THIS CONNECTION, AS EVIDENCE OF OUR CONTRASTING APPROACHES TO PUBLIC ISSUES, I CITE THE POSITION OF MY OPPONENT, GOVERNOR VOLPE, WHO APPARENTLY SEES IN THE MASS 65 PLAN THE WHOLE ANSWER TO THIS MEDICARE PROBLEM, AND WHO VOTED AT THE GOVERNOR'S CONFERENCE IN HERSHEY, PENNSYLVANIA LAST JULY AGAINST A RESOLUTION FAVORING MEDICARE FINANCED UNDER THE SOCIAL SECURITY SYSTEM -- THAT IS, HE VOTED AGAINST THE KING-ANDERSON APPROACH. THIS, I SUGGEST, IS TYPICAL OF HIS WHOLE ATTITUDE TOWARD THE KIND OF PUBLIC PROBLEMS THAT CONCERN YOU, AND IT IS A FAIR INDICATION OF HOW DIFFERENTLY THE GOVERNORSHIP WOULD BE MANAGED IF I WERE TO REPLACE HIM THIS COMING JANUARY.

IN NO SINGLE AREA IS THE DIFFERENCE BETWEEN ME AND MY OPPONENT, THE GOVERNOR, MORE MARKED THAN IN THE FIELD OF TAXATION

(I FAVOR, AS YOUR LEADERSHIP DOES, A SUBSTANTIAL TAX REFORM IN MASSACHUSETTS TO GIVE US A TAX STRUCTURE WHICH IS CALCULATED TO STIMULATE OUR ECONOMIC GROWTH AND WHICH IS BASED ON ABILITY TO PAY.) MY OPPONENT, ON THE OTHER HAND, WHILE GIVING LIP SERVICE TO YOUR CALL FOR TAX REFORM HAS MADE NO EFFORT OF ANY KIND EVEN

TO BEGIN THE PROCESS OF DEVELOPING A REFORM PROGRAM. HIS ONE EFFORT IN THIS WHOLE FIELD IN HIS TWO YEARS IN OFFICE HAS BEEN TO APPOINT STILL ANOTHER STUDY COMMITTEE! AND TO TOP IT OFF THE GOVERNOR HAS NOT EVEN PERMITTED THE RECOMMENDATIONS OF HIS COMMITTEE TO BE PUBLISHED, LET ALONE BE OFFERED FOR LEGISLATIVE ACTION.

TO MAKE THE CHOICE OF A REFORM PROGRAM AS WIDE A ONE AS POSSIBLE, I FAVOR A "YES" VOTE ON REFERENDUM QUESTION #1 WHICH WOULD GIVE THE LEGISLATURE POWER TO ENACT A GRADUATED INCOME TAX. IF THE LEGISLATURE IS TO CONSIDER SERIOUSLY MY PROGRAM OF TAX REFORM, IT SHOULD HAVE OPEN TO IT AS A POSSIBLE PART OF SUCH A PROGRAM THIS PARTICULAR FORM OF TAXATION NOW IN EFFECT IN SO MANY OF OUR LEADING STATES.

GOVERNOR VOLPE, ON THE OTHER HAND, OPPOSES THE CONSTITUTIONAL AMENDMENT PERMITTING A GRADUATED TAX. FURTHER, BEFORE BECOMING GOVERNOR HE PUBLICLY ADVOCATED THE SALES TAX AS THE SOLE MEANS OF SOLVING OUR REVENUE PROBLEM.

SINCE BECOMING GOVERNOR HE HAS BEEN CHARACTERISTICALLY EVASIVE ON THIS ISSUE, BUT I THINK IT IS PERFECTLY FAIR TO SAY OF HIM EVEN TODAY -- EVEN TODAY -- THAT EITHER HE FAVORS NO TAX REFORM AT ALL OR SO-CALLED TAX REFORM LIMITED ENTIRELY TO ADOPTION OF A SALES TAX -- ON BOTH OF THESE POINTS I HEARTILY DISAGREE.

PROBABLY THE MOST SERIOUS AND FAR-REACHING PROBLEM NOW FACING US IN MASSACHUSETTS IS THAT OF EMPLOYMENT. TO THE LONG-TERM TREND OF A RAPID INCREASE IN THE MASSACHUSETTS LABOR FORCE AND AN ACCOMPANYING DECLINE IN MANUFACTURING JOBS IN THIS STATE, THERE HAS NOW BEEN ADDED THE THREAT POSED BY COMPETITION FROM THE COMMON MARKET COUNTRIES. THIS THREAT WILL BE PARTICULARLY IN THE SOFT-GOODS FIELD WHERE SO MUCH OF OUR EMPLOYMENT, ABOUT ONE-HALF, IS STILL CONCENTRATED. UNLESS BOLD, IMAGINATIVE STEPS ARE TAKEN AND TAKEN SOON, MASSACHUSETTS WILL BE SUBMERGED IN THE BACK-WASH OF TECHNOLOGICAL AND POLITICAL CHANGE.

MASSACHUSETTS SHOULD BE DOING MANY MORE THINGS MORE RAPIDLY TO GUARANTEE OUR ECONOMIC PROGRESS.

WE SHOULD BE STIMULATING THE CREATION OF MORE JOBS THROUGH RENEWAL OF OUR OLD, RAPIDLY DETERIORATING CITIES AND THROUGH CAREFULLY PLANNED PROGRAMS OF PUBLIC WORKS -- SUCH AS A STEPPED-UP ROAD BUILDING PROGRAM -- CAREFULLY GEARED TO URBAN RENEWAL. THE GOVERNOR HAS IMPORTANT RESPONSIBILITIES IN THESE FIELDS. BUT WHAT IS THE INCUMBENT DOING ABOUT THEM? UNDER GOVERNOR VOLPE WE HAVE BADLY LAGGED IN URBAN RENEWAL. OUR COMMUNITIES, ESPECIALLY THE MEDIUM-SIZED AND SMALLER ONES, NEED THE GUIDANCE AND FINANCIAL ASSISTANCE OF STATE GOVERNMENT TO GET THEIR URBAN RENEWAL PROGRAMS ROLLING, BUT THESE PROGRAMS HAVE RECEIVED NO LEADERSHIP FROM THE GOVERNOR'S OFFICE, DESPITE THE PROGRESS IN THIS REGARD MADE BY OTHER STATES.

THE COMMONWEALTH SHOULD BE MORE VIGOROUSLY PURSUING A LARGER SHARE OF FEDERAL CONTRACTS FOR MASSACHUSETTS. WHILE WE STILL ARE GETTING MORE FEDERAL CONTRACTS THAN MANY STATES, THE PRE-EMINENCE OF OUR POSITION AS A SCIENTIFIC CENTER SHOULD HAVE BROUGHT US FAR MORE -- PARTICULARLY IN THE SPACE FIELD, WHERE WE ARE FAR BEHIND MOST OF THE OTHER INDUSTRIAL STATES. AGAIN OUR FAILURE HAS, I BELIEVE, BEEN ONE OF LACK OF LEADERSHIP AT THE STATE LEVEL. THUS THE INCUMBANT GOVERNOR HAS FAILED TO APPOINT A FEDERAL-STATE COORDINATOR, HAS CLOSED DOWN THE WASHINGTON OFFICE OF THE STATE DEPARTMENT OF COMMERCE, AND HAS UTTERLY FAILED IN HIS DUTY TO MOBILIZE SUPPORT FOR SUCH PROJECTS AS THE MOONSHOT PROJECT WHICH WENT TO HOUSTON, TEXAS.

MASSACHUSETTS SHOULD BE MAKING A MAJOR EFFORT IN THE FIELD OF JOB TRAINING AND RE-TRAINING TO EASE THE SHIFT-OVER FROM OUR DECLINING INDUSTRIES TO OUR NEW AND GROWING ONES. THUS WE HAVE FAILED TO TAKE FULL ADVANTAGE OF EVEN THE LIMITED OPPORTUNITIES OF THE PRESENT FEDERAL PROGRAM IN THIS FIELD, QUITE IN CONTRAST TO WHAT OUR NEIGHBORS, AND COMPETITORS, IN CONNECTICUT HAVE HAD THE INITIATIVE AND WILL TO DO.

MASSACHUSETTS SHOULD RECOGNIZE THE FIELD OF EDUCATION FOR WHAT IT IS -- THE SEED-BED OF OUR FUTURE GROWTH. DEVELOPMENT OF HIGHLY TRAINED TECHNICIANS AND EDUCATED LEADERS ARE THE INDISPENSABLE ELEMENTS FOR BUILDING THE INDUSTRIES OF TOMORROW. BUT THE VOLPE ADMINISTRATION, IN THE NAME OF ECONOMY, HAS

STALLED OUR PROGRESS IN THE FIELD OF EDUCATION, THE FIELD WHERE PUBLIC FUNDS, FAR FROM BEING WASTED, ARE INVESTED WITH ALMOST A GUARANTEE OF HUGE FUTURE RETURNS.

I HAVE SPOKEN AT LENGTH ABOUT A FEW OF THE VERY IMPORTANT ISSUES WHICH SEPARATE THE PRESENT GOVERNOR AND MYSELF. HOWEVER, BEFORE CLOSING I WOULD LIKE TO BRIEFLY ENUMERATE SOME OF THE OTHER DIFFERENCES BETWEEN US SO THAT YOU WILL HAVE A BETTER IDEA OF WHO IT IS WHO WILL DO THE MOST FOR OUR PEOPLE ...AND THEREBY FOR LABOR ... DURING THE NEXT TWO YEARS.

OUR PRESENT REPUBLICAN GOVERNOR HAS OPPOSED THE CREATION OF A CONSUMERS' COUNCIL, WHICH LABOR, THE DEMOCRATIC PARTY, AND I HAVE BEEN FIGHTING FOR THESE MANY YEARS.

OUR PRESENT REPUBLICAN GOVERNOR OPPOSED THE AIR RIGHTS BILL WHICH WOULD HAVE ADDED FIFTY MILLION DOLLARS OF NEW CONSTRUCTION TO BOSTON, PROVIDING THOUSANDS OF JOBS IN THE BUILDING TRADE AND BOLSTERING BOSTON'S WEAK TAX BASE. I FAVORED THE AIR RIGHTS BILL AS LONG AS MAYOR COLLINS COULD HAVE FINAL CONTROL OVER WHAT WAS TO BE BUILT BY MEANS OF THE TAX POWER.

OUR PRESENT REPUBLICAN GOVERNOR OPPOSED THE CREATION OF A STATE MEDICAL SCHOOL FOR WHICH I FOUGHT. HE LATER WAS FORCED TO BOW TO PUBLIC OPINION AND SIGN A MEDICAL SCHOOL BILL. MOREOVER, MY OPPONENT HAS DONE NOTHING TO PROMOTE THE COMMUNITY COLLEGE PROGRAM, AND AS A MATTER OF FACT, ONCE REFERRED TO THIS PROGRAM AS SILLY.

OUR PRESENT REPUBLICAN GOVERNOR VOWED IN HIS CAMPAIGN THAT HE WOULD PUT AN END TO OUT OF STATE JUNKETS BY STATE EMPLOYEES, AND YET WE FIND THAT HE, HIMSELF HAS MADE MORE SUCH JUNKETS THAN ANY GOVERNOR IN THE HISTORY OF MASSACHUSETTS.

YESTERDAY, MY OPPONENT TWISTED AND EXAGGERATED THE RECORD OF HIS ADMINISTRATION TO MAKE IT ALMOST APPEAR THAT HE IS A FRIEND OF LABOR WHO HAS BATTLED VALIENTLY AND EFFECTIVELY IN LABOR'S CAUSE.

BUT THIS IS FAR FROM THE TRUTH.

I DEFY MY OPPONENT TO POINT TO ONE CONSTRUCTIVE PROPOSAL IN HIS TWO ANNUAL MESSAGES TO THE LEGISLATURE FOR THE BENEFIT OF THE WORKING MEN AND WOMEN OF THIS COMMONWEALTH. UNLIKE THOSE OF HIS DEMOCRATIC PRECECESSORS WHO WERE CONCERNED ABOUT HUMAN BEINGS AND WORKED FOR CONSTRUCTIVE PROPOSALS FOR LABOR, GOVERNOR VOLPE HAS VIRTUALLY IGNORED THE HOUSE OF LABOR NOT ONLY BY HIS DEEDS BUT EVEN IN HIS WORDS.

I ACCUSE THE PRESENT GOVERNOR OF A TOTAL DISREGARD FOR THE INTERESTS OF THE WORKING MEN AND WOMEN OF THIS COMMONWEALTH. AND I ACCUSE GOVERNOR VOLPE OF INACTION, INERTIA, AND INDECISION INSOFAR AS THE INTERESTS OF ALL OF THE PEOPLE OF MASSACHUSETTS ARE CONCERNED. I ACCUSE HIM OF BEING A "DO NOTHING" GOVERNOR UNEXAMPLED AND UNPARALLELED IN THE MODERN HISTORY OF OUR COMMONWEALTH.

FROM ALL OF THESE AREAS THAT I HAVE BEEN TALKING ABOUT, THERE EMERGES A CLEAR PICTURE OF THE FUNDAMENTAL DIFFERENCES BETWEEN ME AND MY OPPONENT AND A CLEAR PICTURE OF THE FUNDAMENTAL ISSUE IN THIS CAMPAIGN.

THAT ISSUE IS LEADERSHIP. IS MASSACHUSETTS GOING TO HAVE POSITIVE, AGGRESSIVE AND IMAGINATIVE LEADERSHIP FOR ALL OF THE PEOPLE OF MASSACHUSETTS -- OR ARE WE GOING TO CONTINUE TO HAVE VACILLATION AND INDECISION AND MUDDLED THINKING?

THAT IS THE REAL ISSUE IN THIS CAMPAIGN.

IN THESE FEW MINUTES WITH YOU I HAVE TRIED TO GIVE YOU A PICTURE OF MY ATTITUDE AND MY APPROACH TOWARDS OUR PUBLIC PROBLEMS. I HOPE THAT YOU HAVE TAKEN FROM IT A BELIEF THAT I WANT THE STATE TO MOVE IN THE DIRECTION THAT PROGRESSIVE AND HUMANITARIAN AMERICANS HAVE ALWAYS FAVORED, AND THAT I HAVE THE WILL, THE DETERMINATION, AND THE CAPACITY FOR LEADERSHIP TO HELP MASSACHUSETTS MARCH TOWARD THESE GOALS.

Stuart Hughes

APL_CIO STATE CONVENTION SPEECH -- Oct. 5

(Thank you Mr. Chairman, officers and delegates to the convention; it is an honor for me to be here. What I have to say is deeply serious. Anyone who says the issues confronting organized labor are not serious is either fooling himself or trying to fool others.)

The American labor movement today finds itself on the defensive, and the security of the individual working man or woman is threatened almost everywhere.

The first issue, both for the labor movement and the federal government, is jobs. Employment is shrinking in the best-organized industries, while organizational drives have had only limited success in the expanding white collar field.

Labor's image has been badly damaged. There was a time when unions represented the political conscience of a community, and were associated in most people's minds with the nation's democratic ideals. Since then a series of Congressional investigations have deeply marred labor's public reputation.

Now there are those who will say: all we need to restore our good standing is Madison Avenue technique; we should spend more money on public relations. But I say the trouble lies beyond Madison Avenue. Labor has not only seen its reputation damaged, but in fact has begun to abandon its militant heritage. The labor movement, I repeat, has chosen to go on the defensive.

Recent threats to the principle of collective bargaining have been accepted too easily: I mean the anti-union provisions of the Taft-Hartley and Landrum-Griffin Laws, as well as the third man at the bargaining table. Unions have been made the scapegoats for inflation. Former friends in the liberal community have drifted away and little effort has been made to repair what was once a key political alliance. Drives to organize the unorganized have failed or petered out. Apathy grips the membership, and

---everyone in this room realizes how grave the problem of attendance at union meetings really is.

Women, who account for a growing percentage of the labor force, often remain outside the ranks of the organized; and despite the efforts of the AFL-CIO, Negro workers are frequently first to be fired, and last to be hired.

So we have a paradox: the labor movement is confronted with economic and political crisis, while the membership fails to respond.

What do I mean when I say: the issue is jobs? I mean automation. Automation is not just a new word to describe new machinery. It means a new productive technique; a changing industrial pattern throughout this country.

It can bring about either the elimination of poverty and back-breaking labor, long the dream of the union movement, or it can mean bread lines, widespread fear, and a complete disruption of our economy. Our response to automation will determine the direction of the whole labor movement.

No one with a respect for human progress can say he is against automation: it can do so many marvelous and useful things. But I am against the haphazard abuse of these techniques. I am against lay-offs for the many and profits for the few. We must plan our economy so that the scientific progress of our age serves American working people, instead of making them unnecessary.

The logical first step in solving the problems of automation is the shorter work-week. I join the leadership of the AFL-CIO in urging a 35 hour week with no cut in pay. And although I am the only candidate addressing this convention who takes labor's position on this all-important measure, I repeat that it is only a first step. Planning our economy to insure just distribution of our industrial wealth will require a broad program of liberal action. These are the specific measures I propose:

1) We must establish the principle that the federal government is responsible for full employment. An unemployment rate of five or six percent is intolerable, even if some economists shrug it off as "normal."

2) The federal government must establish a program that **retrains** men and women for the work of the '60's; much of this retraining should be done at company expense. Retraining is perhaps the most serious, constructive job awaiting the federal government at the present time, and it has not been tackled seriously. I contend that existing retraining programs are grossly inadequate.

3) The government must also institute a broad uniform program of federal unemployment compensation, until full employment is achieved.

4) By raising the hourly minimum wage to \$1.50 throughout the country, and extending coverage to those now unprotected, we will not only be winning a living wage for millions who are today deprived, but we will be striking a key blow against shops that leave established working communities and look for starvation wage levels in other parts of the country.

Now for the type of constructive planning I call for:

1) We must initiate relocation allowances for displaced workers, and find a way to allow older workers displaced by automation to retire on social security at an earlier age.

2) We must begin a serious fight against speed-ups and price-fixing on the part of large corporations.

3) Again, I am the only candidate who comes before this convention urging repeal of the anti-union provisions of the Taft-Hartley and Landrum-Griffin Acts. I am confident that organized labor will not accept such provisions as the ban on the secondary boycott. The right to strike must not be jeopardized. And I join labor in warning that the right to strike, long a part of America's democratic tradition, has been seriously encroached upon by the McClellan Committee in the name of "national defense." This committee

has defamed labor's good name and threatened its basic rights.

Everyone knows that Robert F. Kennedy was attorney for the McClellan committee, while his brother, John F. Kennedy, with the aid of Archibald Cox, now the Solicitor-General, drew up the original Landrum-Griffin Bill. Despite this, most people seem to be convinced that the present Administration is friendly toward labor. Why? -- because a handful of labor leaders are on a first-name-basis with the President?

I have been politically identified with the New Deal, and I am proud of that identification. So I want to make a comparison here:

Let us not forget that the New Deal institutionalized certain basic democratic principles, establishing them in law and policy. Franklin Delano Roosevelt was a friend of labor, but that friendship extended far beyond first-name greetings and Christmas cards. As proof of Roosevelt's friendship we had the Wagner Act and a pro-labor N.L.R.B. And we had a political atmosphere in which the great organizational drives of the thirties were made possible.

Today we are told that because the Administration is friendly we should not fight the trend toward government control and compulsory arbitration. Because the men in power are friendly we should not embarrass them with outspoken demands for full employment and federal responsibility to meet the challenges of automation.

This simply does not make sense. The laws and traditions established and administered by friends today, may well be administered by the enemies of labor tomorrow. The third man at the bargaining table may well become an enemy, but we will be stuck with him; labor's autonomy will be permanently undermined. That is why labor must fight for its principles, which will endure long after the friends of the hour have gone.

Those of you who have followed my senatorial candidacy must know that I have made the arms race the major issue in this campaign. I have done this

not only because our weather is threatened, the milk our children drink is slowly being poisoned, and our lives are obviously in danger. I have also done this because I believe that cold-war production demands have distorted our economy, and made impossible a rational adjustment to automation and the other great challenges of our era.

I am concerned with weapons production because it does not help our nation to advance in any real sense, nor does it save our jobs. Of the 53 billion spent on arms production, only a fraction trickled into the workers' pockets. The nation is wasting time, money and energy, and what are we getting in return? Neither a significant payroll - nor a product we can use.

And at the same time, we find ourselves dependent on huge, unstable government contracts which can be cancelled overnight when a weapons system is declared obsolete. This happened at ^{Republic} Lockheed in New York recently, and 13,000 men woke up out of work.

Weapons come and go, but the need for homes, schools, and human well-being never grows obsolete. That is why I call for a positive program of social action, a program that will insure medical care for all Americans of all ages, increased social security benefits, and an earlier retirement age. And I also call for a housing program that will give decent and dignified living conditions to people of low and moderate incomes. A thorough, federally subsidized housing program in Boston alone would keep people in the construction trades and allied fields working for twenty years.

They will be building schools, too, for our level of education is America's most important asset. I call for a vastly augmented scholarship program which will ensure the opportunity of a college education for every qualified child, regardless of background, regardless of race, regardless of everything but talent. None of our children's skills should go to waste.

They must be granted every opportunity to educate themselves as doctors, engineers, scientists and teachers.

The prestige of the teaching profession should also be restored. I call for a direct federal subsidy for teachers' salaries, to guarantee steadily rising educational standards and to help lift a major tax burden from the Commonwealth.

Only time limits the list of constructive projects which this nation can undertake as soon as it sets to work. Transportation in the Commonwealth needs vast improvement and overhauling; our fishing fleet and merchant marine must not be allowed to fall behind, but must maintain the world's highest standards. The federal government must assume full responsibility for depressed areas if New England is to solve its unemployment problems.

Now I began by talking of bread-and-butter issues and that's where I shall finish. There is enough wealth and strength in the American economy to make possible not only these programs and more, but lower taxes as well. I hardly have to remind you that seventy cents of your federal tax dollar goes to building weapons systems, many of which are obsolete by the time they come off the assembly line.

The cold war economy is the single greatest obstacle to real progress in our society.

In conclusion, I see two choices for the labor movement: on the one hand, a return to its militant heritage; a strong, unrelenting demand for a planned response to the problems of automation; a strong protest against the anti-labor sections of the Taft-Hartley and Landrum-Griffin Acts; a rebuff to the McClellan Committee and all it stands for; greater unity within the labor movement, and a readiness to defend the right to strike wherever and whenever it is threatened; a real drive to organize the unorganized, focusing on the issue of automation. This is the issue on which everyone, particularly white collar workers, will see their jobs at stake.

They will flock to the labor movement if it chooses to take up the defense of our jobs.

The alternative to a growing and militant labor movement is a shrinking and complacent one, a movement of a tired man, willing to rest on the laurels of the thirties and to abandon their own heritage.

Throughout my campaign I have forced discussion on the real issues confronting the American people; the issues that need to be raised now in the U.S. Senate.

Here and now I challenge my opponents to meet me in a debate on the problems confronting organized labor, and I call on the AFL-CIO to urge to sponsor, to insist on such a debate.

In November the entire country will be looking to this state, to see which direction labor will take at the polls: the direction of strong and intelligent action, or weak acceptance of defeat.

I am confident that labor will make the first of these choices.

